



# Tokyo Sees No Change on Kurils by Shevardnadze

TOKYO — The Soviet foreign minister, Eduard A. Shevardnadze, met Monday with Japanese officials to discuss a border dispute that has disrupted their relations for four decades, but a Japanese official said later that the Soviet position had not changed.

In one sign of progress, however, an official of the Foreign Ministry in Tokyo said Japan was prepared to step up economic cooperation with Moscow.

Mr. Shevardnadze also visited the Imperial Palace, where he signed a register with wishes for the recovery of Emperor Hirohito, 87, who is seriously ill.

The Soviet foreign minister and his Japanese counterpart, Sosuke Uno, spent more than six hours in talks centering on the Soviet-held Kuril Islands, which Japan claims.

"The Soviets have shown no basic change in their position," the Foreign Ministry official said later.

Mr. Uno told Mr. Shevardnadze that Japan saw "great potential" for further economic relations, "the official said, adding that Mr. Shevardnadze agreed with this.

There have been unofficial hints that Moscow might be more willing than in the past to negotiate a compromise on the Kurils because it needs Japanese investment and economic cooperation to help develop the Soviet Far East.

The ministry official quoted Mr. Uno as saying that one obstacle to developing trade was the Soviet economic system, in particular the

inconvertibility of the ruble and the shortage of skilled Soviet labor.

Japanese-Soviet trade totaled \$4.9 billion in 1987 and is expected to rise slightly this year, to \$4.98 billion.

The two ministers are to meet again Tuesday for talks on Chinese-Soviet relations, tensions on the Korean Peninsula and the situation in Cambodia, as well as to continue discussing the Kurils, Foreign Ministry officials said.

Soviet troops occupied the Kurils at the end of World War II, but Japan says that it settled the islands, from which the Soviets expelled 17,000 Japanese residents.

In a 1956 Japanese-Soviet joint declaration, Moscow announced its willingness to return two of the islands once a peace treaty was signed. But no further progress was made, and Mr. Shevardnadze refused to discuss the issue when he last visited Japan, in January 1986.

Mikhail S. Gorbachev, the Soviet leader, told former Prime Minister Yasuhiro Nakasone in Moscow in July that Japan's alliance with the West was blocking the return of the islands. He said the dispute was delaying a Japanese-Soviet rapprochement.

The ministry official said Mr. Shevardnadze told Mr. Uno that they should meet more often in order to arrange a meeting between Mr. Gorbachev and Prime Minister Noboru Takeshita of Japan.

Mr. Shevardnadze is to meet with Mr. Takeshita on Tuesday. Officials said that Japan would re-

new an invitation for Mr. Gorbachev to visit Japan.

Mr. Uno said that Japan welcomed Mr. Gorbachev's recent speech at the United Nations, in which the Kremlin leader proposed a unilateral reduction of 500,000 soldiers in Europe, but that Japan wanted a similar reduction in Soviet forces in East Asia.

Mr. Shevardnadze replied that Soviet forces in East Asia were there to match U.S. naval strength. But he said that he saw no problem in making public the strength of Soviet forces in the region.

"The important thing is to have a discussion with all parties concerned," he said.

Moscow has never formally made public information on its military strength in the Soviet Far East.

The International Institute for Strategic Studies, based in London, has estimated Soviet strength in the region, including the Chinese-Soviet border area, at 390,000 troops, 845 naval vessels and 2,500 combat aircraft.

Foreign Ministry officials said Monday that Japan and the Soviet

Union were planning a joint communiqué on agreements for cultural exchanges and the protection of migratory birds. The cultural pact will permit the first student exchanges between the two countries.

Mr. Shevardnadze is scheduled to leave Tokyo on Wednesday for the Philippines and North Korea.

During his Japanese visit, about 3,000 officers have kept guard around the Soviet Embassy in central Tokyo. The police turned away cars approaching the nearby hall where the talks were being held.

(AP, Reuters)

# Gandhi, in Beijing for Visit, Urges Better Ties and a Border Solution

BEIJING — Prime Minister Rajiv Gandhi of India, starting a five-day visit on Monday, called for a renewal of friendship with China and a solution to the Himalayan border dispute that has soured relations for nearly three decades.

Mr. Gandhi, the first Indian leader to visit China since his grandfather, Prime Minister Jawaharlal Nehru, 34 years ago, said that the border was a major problem but that "it is now time to look to the future."

"I have come to renew our old friendship," Mr. Gandhi said at a banquet in the Great Hall of the People given by Prime Minister Li Peng.

Recalling the close Chinese-Indian ties in the 1950s, he urged the restoration of the "vision of peace and cooperation" shared by Mr. Nehru and the former Chinese prime minister, Zhou Enlai.

"Our countries represent two of the world's most distinguished civilizations," he said. "It is now time to restore the relationship between our countries to a level commensurate with the contributions which our civilizations have made to the world."

He said that the "Five Principles of Peaceful Coexistence," which emphasize equality in dealings between countries and noninterference in the affairs of neighbors, were being realized as the world moved away from nuclear proliferation and tension.

China and India drafted the five principles in 1954, and they remain the official basis of their foreign policies.

"We are confident that the boundary question will be settled amicably," Mr. Gandhi said. "It must be settled within a realistic time-frame."

"Between us, we represent a third of humanity, and there is much we can do together," Mr. Gandhi said.

In talks earlier with Mr. Li, he called for calm on the heavily guarded border, scene of a war in 1962, while the two countries increase cooperation in other matters. The Chinese press agency Xinhua reported.

A Chinese assertion earlier in December of repeated incursions into its airspace by Indian jets was not mentioned in official reports of the meeting.

India claims 38,000 square kilometers (14,500 square miles) of land held by China in the western Himalayas. China claims 90,000 square kilometers of territory in Indian hands.

Mr. Gandhi's remarks appeared to confirm that India had abandoned its insistence that the dispute must be solved before relations could improve, moving closer to China's view that the border issue could be kept separate.

Diplomats based in Beijing have cautioned that a major breakthrough on the border issue is unlikely during Mr. Gandhi's visit.

In his meeting with Mr. Gandhi, Mr. Li mentioned the 1962 war and said, "We hope such things will never happen again."

The two men also discussed Tibet, a sensitive issue because of the presence in India of Tibet's exiled spiritual leader, the Dalai Lama, and 100,000 Tibetan refugees.

Mr. Gandhi said that India recognized Tibet as a region of China and that his government did not permit "political forces" in India to engage in activities harmful to China's internal affairs, the Chinese agency reported.

Some 200 Tibetans demonstrated in New Delhi on Monday, calling on Mr. Gandhi to urge Chinese

leaders to respect human rights in the region.

Less than 24 hours before Mr. Gandhi's arrival, more than 150 Tibetans marched close to the Great Hall of the People protesting police shootings of pro-independence demonstrators in Lhasa on Dec. 10.

**Ban on Magazine Lifted**

In a gesture intended to improve the atmosphere for his visit to China, Mr. Gandhi lifted a 26-year-old ban on a Chinese magazine, The New York Times reported from New Delhi.

The ban on imports of the Chinese magazine, Beijing Review, which reflects the view of the Chinese government, dates to December 1962, after a month of border fighting in which China defeated Indian troops and then announced a unilateral cease-fire.

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### A PERFUME MUST BE A WORK OF ART

**NINA RICCI**

**BOMBS KILL MAN IN FRANCE** — Three bombs went off early Monday morning at a hostel for mainly Arab immigrant workers in Cagnes-sur-Mer in southern France, killing one man, a Romanian, and wounding 12 others, the police said.

### UN Study Sees Harvest For 1989 as Crucial

By Clyde Haberman  
*New York Times Service*

ROME — The United Nations Food and Agriculture Organization issued a gloomy year-end assessment Monday in which it said that the world stood at a "turning point between food security and supply shortages."

For the first time since World War II, global cereal production has declined for two consecutive years, forcing countries to draw deeply from reserves, an agency study said.

As a result, it said, cereal stocks are at their lowest levels since the early 1970s and, more significantly, are below the threshold set by the organization as the minimum requirement for food security.

The report said cereal output next year would have to grow by 225 million tons (202.5 million metric tons), or 13 percent, to meet daily needs and rebuild reserves. There has never been a one-year increase of that magnitude, it added.

"While the world is not facing an immediate food crisis, there are reasons for concern in 1989," said

### 4 Servants Kidnapped From Bhutto's Farm

KARACHI, Pakistan — Bandits demanding a general amnesty or a ransom kidnapped four servants from a farm in southern Pakistan owned by Prime Minister Benazir Bhutto, officials said Monday.

Five masked men abducted the servants on Saturday, the police said. Two of the servants were later released with a message to Miss Bhutto demanding the amnesty or 1 million rupees (about \$55,000).

### Austrian Jews Upset by Article on Rosenthal

VIENNA — Austrian Jewish officials reacted angrily Monday to an article in their country's most widely read newspaper, *Neue Kronen-Zeitung*, that had made an anti-Semitic play on the name of a New York Times columnist, A.M. Rosenthal.

Richard Nimmerrichter, a popular columnist who often inveighs against critics of President Kurt Waldheim, attacked Mr. Rosenthal for critical remarks about Vienna that were written after Mr. Rosenthal attended a conference promoting Jewish-Christian dialogue.

Mr. Nimmerrichter, who writes under the pen name "Staberl," referred to Mr. Rosenthal as Rosenbaum on second reference and as Rosenberg on third reference. Mr. Rosenthal, the former executive editor of The New York Times, now writes a regular column that appears in the *International Herald Tribune*.

Paul Grosz, a spokesman for the Austrian Jewish community, said: "The *Neue-Kronen Zeitung* has tried for some time to use anti-Semitism to win popularity. Once again it is attempting to use propaganda against the Jews."

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# Ruling Party In Sri Lanka Holds Shaky Lead in Vote

By Barbara Crossette  
*New York Times Service*

COLOMBO, Sri Lanka — Prime Minister Ranasinghe Premadasa held a shaky early lead Tuesday in a presidential election that was marred by low voter turnout and violence at some polling stations.

Srinivasa Bandaranaike of the Sri Lanka Freedom Party, a former prime minister, was running second in the race to succeed J. R. Jayawardene, 82, who is retiring.

With 34 of 182 polling divisions counted Tuesday morning, Mr. Premadasa, of the governing United National Party, had 50.9 percent of the vote. Mrs. Bandaranaike had 44 percent.

If neither wins more than 50 percent, votes for a third candidate in the race will be distributed according to voters' second preferences.

Only 32.7 percent of the voters turned out Monday, an extremely low number for a country accustomed to 80 percent participation in elections. The highest turnout, up to 76 percent, were in the area of the old royal capital of Kandy. The lowest turnouts, several below 10 percent, were in the south and southeast, where Sinhalese militants tried to prevent voting.

The third candidate in the race, Ossie Aboeygonasekera, representing a left-wing coalition, had only about 2 percent of the votes cast.

But Mr. Aboeygonasekera, who belongs to the majority Sinhalese community, was leading both other candidates in the Tamil-dominated north, where his party is regarded as the least ethnically biased. There was no Tamil candidate in the race.

In an unexpected development in some southern towns, Sinhalese militants who had threatened to kill voters instead distributed leaflets and put up posters Monday urging voters for Mrs. Bandaranaike.

This, according to residents in the southern part of Galle, may have indicated a factional split in the radical People's Liberation Front, or could be the result of rising popular condemnation of the militants' anti-election tactics in a country with a long history of parliamentary democracy.

In areas where the militants continued to call for a boycott, having condemned the election as a fraud, at least a dozen people were killed during attacks on polling stations.

Three polling stations were burned early Monday at Mataram, east of Galle. In Colombo, an explosion in front of one polling booth injured a policewoman.

Several voters were killed by gunmen in the central hill country. In the southeast, some polling stations were never opened because of terrorist threats to shoot on sight anyone voting or assisting others to vote.

But voting at most of the country's 8,000 polling stations took place without serious incident on what was regarded as the country's most tense and dangerous election day since independence 40 years ago.

In some towns along the western and southern coasts, where the People's Liberation Front and the Patriotic People's Movement have been engaged in months of intimidation and assassination, there was little sign of life on Election Day. Every village seemed to have fresh graves, while the people there had boarded up their homes and shops and disappeared from sight.

In Beruwala, about 30 miles north of Galle, troops had brought in local people to clear the blockades of coconut palms and felled electrical and telephone poles along the road. A soldier had been killed earlier in the morning when he attempted to do the job himself.

### Urges Pentagon

**Bonn Said to Pay for Copied Radar**

HAMBURG (AP) — The West German government paid millions of dollars to Israel for the development of a sophisticated radar defense system copied from U.S. technology, a magazine reported Monday.

The weekly news magazine *Spiegel*, quoting unidentified military officials in Bonn, said West Germany paid one billion Deutsche marks (\$570 million) to Israel for a radar defense system called Cerberus, to be fitted on its Tomado fighter jets.

The magazine said that the official supplier was the West German electronic firm AEG AG, but that the basic components were delivered by the Israeli company Eita.

### 5,000 Troops Return to Vietnam

XAMAT, Vietnam (Reuters) — Thousands of Vietnamese soldiers, part of Hanoi's biggest withdrawal of troops since it invaded Cambodia 10 years ago, crossed into this border town Monday as crowds of Cambodians lining the dusty road east from Kampong Chhnam across the frontier waved flags and cheered the troops.

Vietnamese officials said 5,000 troops from the 6th and 309th Divisions were involved. Some of the soldiers said they had served from one to 10 years in Cambodia, but most appeared reluctant to talk in the presence of officers. Some brought monkeys and puppies with them.

Cambodian officials said 18,000 soldiers from six army divisions would be returning to Vietnam by river and road over the next few days. A Vietnamese Army spokesman said last week that by the end of the December, 50,000 soldiers would have left Cambodia. In 1988, an additional 50,000 will be home by April 1990, the Vietnamese say.

### Roh Predicts Communist Ties by '93

SEOUL (Reuters) — President Roh Tae Won predicted that South Korea would establish diplomatic relations with the Soviet Union and China before the end of his term in 1993, the national news agency Yonhap said Monday.

Mr. Roh reaffirmed that he placed top priority on talks with Kim II Sung of North Korea aimed at ending the hostility between the two governments.

He said that China and the Soviet Union, allies of North Korea, and the United States and Japan, the South's main friends, had shown sympathy towards his proposal for a six-power conference on Korea. North Korea has so far rejected the proposal.

### Burma Rulers Warn Political Parties

RANGOON (Reuters) — Burma's military rulers warned Monday that "it is no time to incite the people" and said parties must obey strict laws for political activities that forbid them to criticize one another.

An editorial in *Working People's Daily* said that if politicians wanted democracy it was necessary for them "to abide by the regulations, disciplinary rules, orders, laws and decrees."

Attacks on individuals or other parties were forbidden, the government paper said. It was not clear why the warning was issued now by the military, which has in effect held power in Burma since 1962 and only this year scrapped its one-party system. More than 160 parties have registered with the election commission under rules announced after the military takeover Sept. 13 that crushed a public uprising for democracy.

### Search Is Ending in Armenia Quake

MOSCOW (NYT) — The Soviet Union's main earthquake relief commission will be relocating its activities from the stricken area to Moscow, indicating that the search for survivors among the ruins has all but ended, and that focus has shifted to reconstruction.

At a news conference Monday in the Armenian capital of Yerevan, Nikolai I. Ryzhkov, the Soviet prime minister and head of the ruling Politburo's relief commission, said that he and most of the members of the commission would be returning to Moscow on Tuesday and would be directing the continuing work from there.

"Today we have come close to the second stage, which is of a more long-term nature," Mr. Ryzhkov said. "Its goal is to restore the area's social and economic potential." Soviet authorities are being careful not to say that they have abandoned the search for survivors. But it is clear from news out of the area that there is little, if any, rescue left to do.

### For the Record

A bomb exploded in Honduras outside the headquarters of the U.S. Peace Corps on Monday, causing heavy damage but no injuries, the U.S. Embassy and the local police said in Tegucigalpa.

Three French newspapers owned by Robert Hersant failed to appear Monday after a strike by members of the Communist print workers union. The workers stopped publication of *Le Figaro*, *France Soir* and the racing paper *Paris-Turf*.

Prime Minister Andreas Papandreu of Greece, fighting off criticism of his handling of a financial scandal involving the former Bank of Crete chairman, has won what he called a vote of confidence in Parliament and has vowed to remain in office until general elections in June. (AP)

### TRAVEL UPDATE

**Struck Paris Métro Line Is to Reopen**

PARIS (AFP) — Some Paris Métro workers voted on Monday to end the strike that has severely hampered the French capital's commuter service by closing four of the subway lines, the Paris transport authority said.

It said the No. 2 Nation-Dauphine line, which has been closed since Dec. 12, would reopen with 50-percent service starting Thursday.

But workers on the three other closed lines — No. 1 Vincennes-Neuilly, No. 4 Porte de Clignancourt-Porte d'Orleans, and No. 11 Chatelet-Mairie des Lilas — had voted to continue their strike in support of a demand for a raise.

The A-320 Airbus was certified for service in the United States on Thursday, a U.S. official said Monday. An Airbus spokesman said that none were actually in service but that "we have several customers."

Northwest Airlines, which has 100 on order, will get its first deliveries in June. Pan Am, with 16 planes ordered, will get them in July. (ITT)

Italy will lower the automobile speed limit on weekdays to 110 kph (70 mph) from Tuesday until Jan. 8 to reduce accidents during the holidays, the Public Works Ministry said Monday. (Reuters)

### French Maker Hits Bottom in Skimpily Bikini Market

PARIS — France lost another of its postwar icons on Monday with the news that the company that introduced the bikini swim suit in 1946 had gone bust — economically, that is.

First, it was the 2CV car, which Citroen removed from French production in February. Then, it was the Solex: The Japanese-owned manufacturers announced in September they would produce no more of the mopeds after the end of this year.

Now, Réard of Paris, which made a virtue of postwar austerity by introducing the world's scantiest swimsuit, says it will close for good on Saturday after two lean years.

Louis Réard, an automobile engineer who founded the company 60 years ago, named his creation after the South Pacific atoll where the first peacetime nuclear test had just taken place. Mr. Réard, who died four years ago, engaged in countless court battles to protect the trademark and the two-piece design, which came in a little square-box.

The bikini caused a sensation after Mr. Réard introduced it at the Molitor swimming pool in Paris. Brigitte Bardot modeled it. Paris Match splashed it throughout the magazine. But few women at first dared wear it.

In 1964, Mr. Réard introduced the monokini, which left off the top half, but by then the world was growing harder to shock: Now, swim fashions that too much exposure to the sun can cause skin cancer, a cover-up is taking place. Both the bikini and the monokini are giving way to stinky one-piece suits that reveal shape rather than skin.

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OPINION

About Depression and Primo Levi

By William Styron

ROXBURY, Connecticut—Why did the eminent Italian writer Primo Levi die in the shocking way he did? In the depths of a clinical depression, Mr. Levi, an Auschwitz survivor who had written eloquently of his ordeal under the Nazis, jumped down a stairwell in Turin in 1987.

failure of moral strength Mr. Levi had failed his staunchest admirers. Apparently not expressed at the symposium, although quoted in the article, was the harshest example of such a viewpoint: a suggestion in The New Yorker

MEANWHILE

that "the efficacy of all his words had somehow been canceled by his death." That idea leaves the implication that the force and fervor of a writer's work is rendered invalid if, instead of expiring of natural causes, he takes his life.

anguish. Such anguish can become every bit as excruciating as the pain of a fractured limb, migraine or heart attack.

Most physical distress yields to some analgesic. Not so depression. Psychotherapy is of little use to the profoundly depressed, and anti-depressants are, to put it generously, unreliable. Even the soothing balm of sleep usually disappears. And so, because there is no respite at all, it is entirely natural that the victim begins to think ceaselessly of oblivion.

In the popular mind, suicide is the work of a coward, or sometimes, paradoxically, a deed of great courage, but it is neither; the torment that precipitates the act makes it often one of blind necessity.

The origins of depression remain a puzzle, despite significant advances in research. Many factors seem to be involved. Aside from the basic chemical disturbance in the brain and behavioral reasons must be added to the equation. Mr. Levi may have been bedeviled by buried conflicts unrelated to Auschwitz.

Or, indeed, his ordeal at Auschwitz may have imposed on his soul an insupportable burden; other writers wounded by the Holocaust (Paul Celan and Tadeusz Borowski come to mind) decided upon suicide as a way out of the blackness of memory. But the overwhelming majority of camp survivors have chosen to live, and what is of ultimate importance to the victim of depression is not the cause but the treatment and the cure.

What is saddening about Primo Levi's death is the suspicion that his way of dying was not inevitable and that with proper care he might have been rescued from the abyss.

Depression's saving grace (perhaps its only one) is that the illness seems to be self-limiting. Time is the real healer, and with or without treatment the sufferer usually gets well.

Even so, presumptuous as it may be to speculate from such a distance, I find it difficult not to believe that if Mr. Levi had been under capable hospital attention, sequestered from the unbearable daily world in a setting where he would have been safe from his self-destructive urge, and where time would have permitted the storm raging in his brain to calm itself and die away, he would be among us now.

But, in any event, one thing appears certain: He succumbed to a disease that proved to be malignant, and not a shred of moral blame should be attached to the manner of his passing.

Mr. Styron is author of "Sophie's Choice," among other novels. He contributed this comment to The New York Times.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

Exclusive: Secret Leaker Exposed by Leaky Pundit

By William Safire

By Jim Hanks

PARIS—The American... no leaking in his administration. He is that started last week, he has bruted about in advance the names of his appointments.

WASHINGTON—George Bush has let it be known he will tolerate no leaking in his administration. He is that started last week, he has bruted about in advance the names of his appointments.

same leaker tells me to expect to see Margaret Tutwiler as spokeswoman and Dennis Ross as Policy Planning. Baker loyalists Bob Zoellick and Josh Gilder will be assistant secretaries, with Larry Eagleburger, Winston Lord or William Hyland as straw boss—and with the other Kissingerians at the Pentagon to help Paul Wolfowitz watch Mr. Tower.

Mr. Bush is well aware that before election day, in an essay headed "The Bush People Will All Want Jobs" (IHT, Oct. 25), his staffing plans were revealed. James Baker was identified then as next secretary of state, and Richard Darman at OMB, Nick Brady was said to be retained at Treasury and John Tower named for Defense, with a back-up of Jack Kemp, (Representative

Kemp is now slated for HUD.) Brent Scowcroft, thought headed to CIA, has been slotted as national security adviser until a Supreme Court vacancy opens for William Webster.

What miserable leaker spilled all that back in October? Worse, what disloyal, razor-edged, favor-carrying insider revealed that Craig Fuller, Vice President Bush's longtime chief of staff, would be bypassed in favor of Governor John Sununu of New Hampshire for the most powerful job inside the White House? To discover the source, let's walk back the cat, as the counterespies say—by using subsequent events to study prior information.

Some picks were obvious. Jim Baker was Mr. Bush's alter ego, and made no secret of his goal; two years before, he led President Reagan to disaster with his switch into Don Regan's Treasury, but the Baker career plan will not be denied.

Nick Brady was the financial adviser and buddy already in place, and John Tower and Brent Scowcroft were Bush advisers and investigative savants.

But other picks left suspicious footprints: Somebody had to tip the word on Boyden Gray as White House legal counsel, and what about Governor Sununu? Somebody must have leaked.

And the leak-beat goes on. At the Baker State Department, the

leaker tells me to expect to see Margaret Tutwiler as spokeswoman and Dennis Ross as Policy Planning. Baker loyalists Bob Zoellick and Josh Gilder will be assistant secretaries, with Larry Eagleburger, Winston Lord or William Hyland as straw boss—and with the other Kissingerians at the Pentagon to help Paul Wolfowitz watch Mr. Tower.

The reader, and the president-elect, must understand that not all leaks come true. A few are off base, and more get changed when the leak accomplishes one of its purposes and flushes out opposition. For example, in the October mind-reader it was predicted that women would be significantly represented at the top. Yet Representative Lynn Martin, Labor Secretary Ann McLaughlin and domestic aide Deborah Steelman—each of them highly capable and all of whom knocked themselves out for the Bush campaign—were brushed aside.

Perhaps the pre-election leaker was wrong about women because women later voted decisively against Mr. Bush, and now they are being punished.

A second-level slot as special trade representative was found for Carla Hills. On that sexist score, the leaker was mistaken about Sheila Tate as press secretary; Mr. Bush retained ensynging Marlin Fitzwater. I suspect that the leaker was recalling the White House spokesman's ill-prepared performance at the Moscow summit, and his abysmal preparation of Mr. Reagan at the farewell press conference. (The reappointment cannot be criticized because few journalists want to limit access. I can, because I have my own leaker.)

Because my Bush source has been so present in contrast to my own 1988 predictions, I asked for an assessment of the choices so far.

No-surprises is good and bad, says the leaker. No way that cocky young Fuller would be staff chief; Mr. Bush by his nature had to pick a heavyweight, and Mr. Sununu impressed in New Hampshire when it counted. The kid will cut the sulks and take a job soon.

But what you gain in stability you lose in originality. Where are the inspired strangers, the unknown Shulzets and Mowbrans who spark a cabinet and White House? No top women, no black blacks, no Jews (a kinder, gentler nation, as the quip goes); nobody who looks like fun.

And now (in the Bush era, all sentences are to begin with "and") for the revelation of my secret source.

The leaker, Mr. President-elect, is my left thumb. I stuck on it, stare at the wall, put myself in your shoes, bounce the ideas sucked out of my thumb off a few detail-savants, read the papers, listen up at dinner parties, calibrate the horror all this stimulates among your aides, and—spring!—a massive leak, and it's hell to pay for weeks around the Oval Office.

The New York Times.

—The Hartford Courant.



LETTERS TO THE EDITOR

Israelis Ought to Celebrate

In response to the report "Shamir Denounces Acceptance of PLO as U.S. 'Blunder'" (Dec. 16):

The events of the last week—including the PLO's recognition of Israel's right to exist and the first authorized and substantive contacts between the United States and the PLO in 13 years—should be viewed by Israel with joy rather than concern that borders on anguish.

Israel has just won, after 40 years of struggle, its War of Independence. The borders Israel established in 1948, and the permanent and peaceful existence of a Jewish state within them, have now been formally and solemnly accepted by the Arabs who matter most, and are not seriously contested by any others. Israelis should be dancing in the streets and rushing to the conference table to get their former enemies to sign on the dotted line.

JOHN V. WHITBECK, Paris.

The Swedish foreign minister, Sten Andersson, and his colleagues Anders Burner and Mathias Mossberg should be applauded for their magnificent contribution in acting as interface between the PLO and the U.S. State Department.

J. ERNST SIEGENTHALER, Coppet, Switzerland.

We have yet to hear a clear statement from U.S. leaders recognizing the Palestinians as a people and confirming their right to a state of their own. It is time for the United States to offer the clarity it demanded of Yasser Arafat.

ELIZABETH KANE, Oxford, England.

Put Crocker on the List for the Nobel Peace Prize

As the United Nations prepares to endorse on Thursday the agreement providing for Namibian independence and phased Cuban withdrawal from Angola, history will record the names of two Americans who played decisive but opposite roles in this costly regional conflict.

Since the independence of Angola, I have had occasion to actively oppose the consequences of the actions of one of these men and closely cooperate with the other. The two men are Henry Kissinger, who invited Cuban troops by plotting and arranging financing for the invasion of Angola by South African forces, and Chester Crocker, who has not only secured Cuban withdrawal but also ensured that Angola will face no

Why not let Sweden act as the conciliator between Israel and the Arabs? Peace in the Middle East is the aspiration of all.

EDDY ARIDA, London.

Sudan: Not a Racial War

Jonathan Power's "For the Starving Sudanese, Tears Aren't Enough" (Opinion, Nov. 28) correctly and humanely calls attention to the ghastly human tragedy in Sudan. However, his choice of words—"Moslem militants" vs. "black Southerners"—inadvertently contributes to a common misconception that the war is a racial one. It is not; it is cultural and ethnic.

The "Arabs" of Southern Kordofan, like the heavily armed Baggara who have killed many of the Dinka (the largest non-Moslem ethnic group and principal support of the Sudan People's Liberation Army), are Arabic-speaking, Moslem black Africans. Few Westerners without knowledge of Sudan could tell a Baggara from a Dinka by their faces.

Many of the student militants in Khartoum come from Darfur Province in the West; they are black people. The Nuer, a non-Arabic speaking, non-Moslem group who have been armed by the Sudanese government to kill their traditional Dinka enemies, are even more physically similar to the Dinka. Non-Moslem Bantu of Equatoria Province also have little love lost for the Dinka. As usual, the large majority—Dinka, Baggara, Nuer, Bantu, etc.—are caught in the middle, trying, and too often failing, to survive.

ALAN RICHARDS, Dhaka, Bangladesh.

Mr. Crocker deserves to be nominated for the 1989 Nobel Peace Prize.

PEDRO ANTONIO, Geneva.

The writer was a personal adviser to the late President Agostinho Neto of Angola.

ing to the conference table to get their former enemies to sign on the dotted line.

JOHN V. WHITBECK, Paris.

The Swedish foreign minister, Sten Andersson, and his colleagues Anders Burner and Mathias Mossberg should be applauded for their magnificent contribution in acting as interface between the PLO and the U.S. State Department.

J. ERNST SIEGENTHALER, Coppet, Switzerland.

We have yet to hear a clear statement from U.S. leaders recognizing the Palestinians as a people and confirming their right to a state of their own. It is time for the United States to offer the clarity it demanded of Yasser Arafat.

ELIZABETH KANE, Oxford, England.

Put Crocker on the List for the Nobel Peace Prize

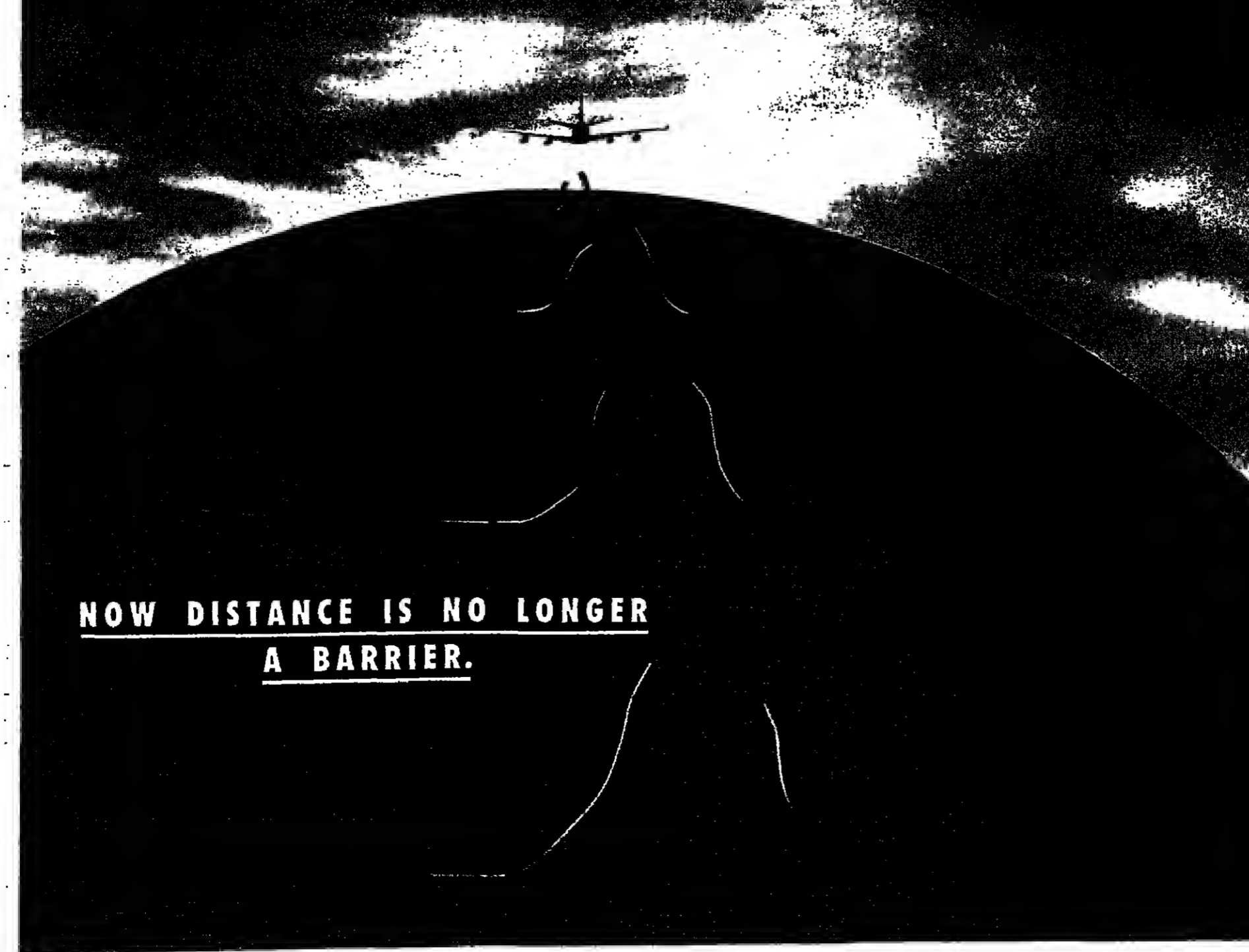
As the United Nations prepares to endorse on Thursday the agreement providing for Namibian independence and phased Cuban withdrawal from Angola, history will record the names of two Americans who played decisive but opposite roles in this costly regional conflict.

Since the independence of Angola, I have had occasion to actively oppose the consequences of the actions of one of these men and closely cooperate with the other. The two men are Henry Kissinger, who invited Cuban troops by plotting and arranging financing for the invasion of Angola by South African forces, and Chester Crocker, who has not only secured Cuban withdrawal but also ensured that Angola will face no

Mr. Crocker deserves to be nominated for the 1989 Nobel Peace Prize.

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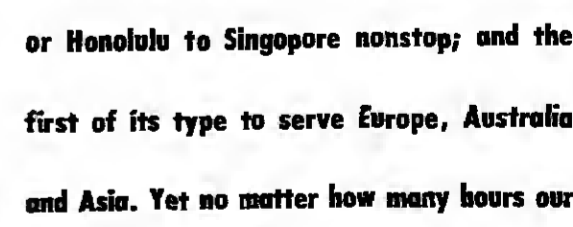
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What's Of the Bears... By Jim Hanks... palled... answer... nissars... 1988: Appoint... 50 YEARS...

# Gorbachev Line Finally Reaches Prague

By Jackson Diehl  
*Washington Post Service*

PRAGUE — Long lines stretch out the doors of shops as over Prague these days as consumers line up for scarce supplies of toothpaste, toilet paper, soap powder and other basic goods. Newspapers, too, sell out fast: the state press has offered startling news of Soviet troop withdrawals, changes in the Politburo and legal opposition demonstrations, all in the course of a few days this month.

Such developments were never supposed to happen under the orthodox Communist government that controls Czechoslovakia. Since Soviet troops suppressed the 1968 "Prague spring" movement, the country's hard-line leadership has

offered its citizens relative material abundance in tacit exchange for near-absolute political calm.

Milos Jakes, the tough apparatus chief who last year became party leader, has spent most of his administration seeking to delay the restructuring of the economy pursued by Mikhail S. Gorbachev, the Soviet leader, and trying to stifle any version of *glasnost*, or openness, particularly in the form of opposition activity.

Yet his tactics have failed to prevent Mr. Gorbachev's dynamism from raising expectations among the long-passive public and have been unable to stave off the economic crisis that has affected every other nation in the East bloc.

Czechoslovakia has emerged as a country drawn into Mr. Gorbachev's drive for change despite itself, its once unchallenged elite buffeted by pressures from East and West as well as from below.

"The old leaders are doing everything they can to prevent any internal change in Czechoslovakia, but this development has its own logic," said Jiri Dienstbier, a prominent dissident and journalist. "They can't control the development of Soviet foreign policy or the changes that are happening in all of the other countries."

The movement in Czechoslovakia has been small compared with its counterparts in Hungary and Poland. The authorities in Prague have, nonetheless, moved to put into effect a program of economic restructuring similar to Mr. Gorbachev's plan for the Soviet Union,

and they recently eased what had been a crackdown on dissenters. At the same time, a once-tiny opposition movement has mushroomed, and new independent political groups have been founded.

These developments suggest that what has appeared to be a stout bloc of East European resistance to Mr. Gorbachev and his policies, stretching from East Germany and Czechoslovakia to Bulgaria and Romania, may be weakening.

"I'm not sure that this anti-reform bloc doesn't contain the seeds of its own downfall," a senior Western diplomat in Prague said.

"The resistance was always more real on the surface than it is underneath, in the lower levels of the elites where people have to think about their futures," he said. "At the end of the day, these people have no place else to go than with Gorbachev."

Both East Germany and Czechoslovakia have decided in recent weeks to move up their next party congresses to 1990 from 1991, prompting speculation that Mr. Jakes and the East German leader, Erich Honecker, may be preparing to give way to younger leaders more attuned to Moscow.

One sign of a move toward renovation in the Czechoslovak leadership has been the promotion to the Politburo this fall of five relatively young men and the retirement of four veterans of the post-1968 era, including the prime minister, Lubomir Strougal, and an extreme hard-liner, Vasil Bilak.

The most prominent newcomers, Miroslav Stepan, 43, and Karel Urbanek, 47, have shown signs of variance from the party's orthodox line; Mr. Stepan recently gave an interview to the party daily *Rude Pravo* that sharply criticized past and present party activity.

This shift has been accompanied by the gradual introduction of an economic program making state companies less dependent on central planning and more accountable for profits and losses.

Next year, workers' "self-management" councils will be set up in all factories, the state bank will be broken up into several autonomous commercial banks, industrial prices will be reorganized, and joint ventures with Western companies will be encouraged.

The changes, which closely follow Mr. Gorbachev's program, are bluntly described by Czechoslovak economists as a half-step.

"The ideas of our reform are uncertain and unstable," said Vratislav Izak, an expert at the official Institute of Economy. "In the future we will inevitably go in one of two directions: either back to the administrative system, or toward a marketplace economy, as in Hungary or Poland. This is an open question, and above all a political question."

passengers, which translates into a load factor of about 9 percent.

Bogomir Gradisnik, who owns 49 percent of Aero Lloyd, said in a recent interview that the flights would be profitable with an average of 30 passengers, a level he hopes will be reached in January.

While the airline has already ordered additional equipment and plans to begin scheduled service to London, Paris and Zurich in the spring of 1989, Mr. Gradisnik said, it has had problems getting permission and space at airports.

"In Paris we don't have any problems," he said. "But at the London airports, everything is reserved for the British and Lufthansa."

"Of the 60 flights a week we applied for, they allowed only two, supposedly because there is no room. If, however, the others want to fly more often, then suddenly there is more room, just not for the newcomer, Aero Lloyd."

Industry and EC officials are well aware of such problems. But they worry that shifting from a system of bilateral air service agreements and national control of traffic rights to a pan-European system could set off a deregulatory free-for-all in the airline industry that could be disastrous.

Air Europe is setting up Airlines of Europe to compete with the national flag carriers on the main routes. Airlines of Europe, based in the Netherlands, is slated to become fully operational by the spring of 1990, offering low-fare charter and regularly scheduled service.

It has applied for traffic rights in Norway, Italy, West Germany and France, and already has rights in Britain and Spain. In April, Air Europe order 30 new airliners carrying a price of \$1.8 billion.

## AIR: A Dogfight Is Brewing in Europe Before 1992

(Continued from page 1)

DC-9s and 137 seat MD-83s on scheduled routes between Munich, Frankfurt, Hamburg and Düsseldorf at prices 10 to 15 percent lower than those of Lufthansa.

"There is a battle shaping up," said David Kyd, a spokesman for the International Airline Transportation Association in Geneva. "It's clear that after 1992, everyone will want a slice of the European airline market."

"The alternative is oblivion," he added. "So charter, regional and small airlines are jumping in now before the rules of the game are changed. It's grab whatever you can get."

National flag carriers such as Air France, Alitalia and Lufthansa have unrivaled clout that can be used on any would-be usurper, like Aero Lloyd. While that influence may be diminished after 1992, it will not disappear.

"To compete head-to-head against national airlines like Air France or Lufthansa is not realistic," said Michael Ambrose, the director-general of the European Regional Airline Organization, "unless you yourself are big enough, like Air Europe, to match any pricing policy they respond with."

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## CHURCH: Biggest Church Ever Rising in Ivory Coast

(Continued from page 1)

In outline, the structure is similar to St. Peter's. But engineers are sensitive about the comparison.

"What's the same here?" asked Pierre Cabrelli, a French engineer, holding up for contrast a copy of an 18th-century engraving of St. Peter's and a copy of the Yamoussoukro basilica design by Pierre Fakhoury, Mr. Houphouët-Boigny's personal architect.

"They have staves," Mr. Cabrelli said. "We don't have staves. They have only a few columns. We have 272."

Unlike the stonecutters of medieval Europe, Ivorian masons have erected their columns, some rising 101 feet in the air, with blocks of molded, high-density cement. The use of local sand gives the ensemble a pinkish hue. A contrasting green will be added this spring when 75 acres of surrounding land is to be planted as ornamental French gardens.

In another difference with St. Peter's, the Yamoussoukro basilica will be air-conditioned. Machinery in the cellar will pump air through ducts in the wooden pews, cooling the 8,000 faithful who can sit inside.

To save electricity, engineers will cool only a 15-foot-high cushion of air, leaving the 380-foot high dome to warm to tropical levels. "Currents" of forced air at the doorways will allow engineers to keep outside doors open while air-conditioning cools the nave.

Without revealing its costs, Mr. Houphouët-Boigny has maintained that the basilica is being built on his own land, is financed with his own money and, upon completion, will be given to the Vatican.

But many local critics say the Ivory Coast's money is being wasted at a time of financial crisis.



As an enormous basilica takes shape in Yamoussoukro, Antoine Cesario, left, the director of public works in the Ivory Coast, and Pierre Cabrelli, the site manager, show how it will look when completed.

## ART: Baron Thyssen Will Lend 700 of His Masterpieces to Madrid's Prado

(Continued from page 1)

when we all walked downstairs to the bar did I find myself alone with the president. 'Is there anything I can do for you?' he quickly asked me. 'Send me your ambassador!' I said. Then the Swiss were again all around us."

Soon afterward, a diplomat from the Bonn government arrived at the Villa Favorita and a meeting with Chancellor Helmut Kohl was arranged. As the baron tells it, the chancellor said to him: "The visit to entertain all those visiting heads of state in Bonn and don't know what to show them. We shall build a worthy home for your collection on the Rhine."

A West German government spokesman confirmed the chancellor's offer and said that negotia-

tions had begun but that eventually "the Thyssens" turned their back on Bonn.

The baron, 67, a tall and ruddy descendant of wealthy German industrialists who has been a Swiss citizen since 1954, has sponsored other tempting bids for the collection.

One came from Prime Minister Margaret Thatcher of Britain. "She visited an exhibition of Old Masters from my collection at the Royal Academy in London, and she was enthusiastic," the baron said. "And I got a very spectacular proposition from the British government. My works would be displayed in a new art center either in the London Docklands or in Birmingham."

But the baron, who maintains a home in London, was not interested. There were also inconclusive

talks with France and two U.S. museums.

Why does the baron want to move the bulk of his collection out of Lugano, where it has been since his father bought the 17th-century Villa Favorita from Prince Friedrich Leopold of Prussia in 1932?

"It's too small," the baron said. "My father had a new gallery built, but as 20 showrooms can hold only a part of what I have. Relatively few visitors came, something like 100,000 a year. Masterpieces should be accessible to everybody."

Two years ago, the baron asked five notable architects to submit plans for an annex to the Lugano gallery. James Stirling of Britain, the acclaimed architect of the Neue Staatsgalerie in Stuttgart, won the contest. But his project would have cost more than \$30 million.

The baron asked the local au-

thorities for financial contributions to speed the project, but they apparently thought at first that the nobleman could well afford it himself. After all, he is often described as "the richest Swiss," and his wealth is estimated at \$1.5 billion.

Only when it appeared that he seriously planned to shift his collection to Spain, did the Swiss come up with a specific proposal.

The baron said the Swiss offer of financial support came too late because he had already reached agreement in principle with the Spanish.

It is thought in the art world that the baron's fifth wife persuaded him to favor Spain. The Baroness Thyssen, born Maria del Carmen Rosario Cervera Fernandez, is a former Miss Spain; she is well connected in her native country and in international high society.

In the last two years, prices of cocoa, the country's largest export earner, dropped by half. Squeezed for cash, the Ivory Coast suspended payments last May on its \$10 billion foreign debt.

In an interview last summer with *La Croix*, a French Catholic newspaper, Mr. Houphouët-Boigny dismissed criticism about the cost.

"In what way could my meager 40 billion francs — if it is 40 billion — change the crisis which has hit my country?" he said, referring to a sum in African francs equal to about \$130 million. Independent estimates say the structure may cost twice as much.

The Vatican's reaction has been muted. Asked if Pope John Paul II planned to come in September for the inauguration, the Vatican spokesman, Joaquin Navarro-Valls, said the pope would be on a tour of the Far East in September. The pope visited the Ivory Coast in 1980 and in 1985.

Asked if the Vatican would accept the building as a gift, the spokesman replied ambiguously that that was "a local matter."

The Ivory Coast is a one-party state with a tightly controlled press. Most public criticism has come from outside the country.

Several French reporters have noted that only 15 percent of the Ivory Coast's 10 million people are Catholic. About 5 percent are Protestant, 20 percent are Muslim, and the rest are animists.

Other French press reports have suggested that the president, who is 83, is building a backdrop for a spectacular funeral.

In September, the Ivory Coast's information minister, Laurent Doua-Foloko, branded critics of the basilica as racists.

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## LIBYA: Israel Fears New High-Technology Powder Keg in Middle East

(Continued from page 1)

Washington Institute for Near East Policy, reflects the views expressed by many Israeli military strategists who are openly voicing their concerns to American visitors.

"The arms race today is a completely different one," he said in an interview. "The superpowers have no control over it any more." He added that there were more and more people in Israel who say, "Let us redouble the question of pre-emption" by military means.

In a speech to the World Affairs Council on Oct. 25, William H. Webster, director of the Central Intelligence Agency, said, "For Israel, the spread of chemical weapons among the Arab states, principally Iraq, Libya and Syria, could seriously alter the regional balance of power."

An Israeli military source, referring to the World War II Nazi death camps, said, "You mention gas to Israelis and they start to go crazy."

U.S. and Israeli analysts now talk openly of missile-delivered chemical weapons. Syria has taken the lead in pioneering this technology using Soviet-provided Scud-B and SS-21 missiles.

"Virtually every city in the Middle East is now subject to such an attack if these two types of weapons are combined," Mr. Webster said.

Further alarming Israeli strategists is a perception that Israel's technological edge over the Arabs is eroding. They fear that the advent of Arab missiles will end the superiority that the Israeli Air Force has had over Arab adversaries.

Syria has highly accurate Soviet SS-21 missiles, and Saudi Arabia has the far less accurate Chinese DF-3A intermediate-range missiles. The DF-3A has a range of 1,600 miles and a payload capability of up to 4,500 pounds (2,045 kilograms). Iraq has successfully modified the Soviet Scud-B missile, extending the Scud's range from 190 miles to 560 miles. It is also working on its own anti-tactical ballistic missile.

Egypt has the 50-mile-range Saeed rocket and is building, with help from Iraq and Argentina, the Badr-2000, with a range of 500 or 600 miles.

"You can reach Israel now just by pushing a button," the Israeli military source said, "the first time this is true since 1948," the year Israel was founded.

With the arrival of ballistic and long-range air-to-air missiles, he continued, "You don't need high-quality manpower any longer to gain an advantage."

"The day of the pilot and dog-fight have gone," he added.

Israel's military strategists are now debating whether to invest primarily in a defensive or offensive strategy to cope with the Arab missile threat.

Israel's new Ofeq military satellite is widely regarded as the symbol of a Israeli commitment to an offensive, possibly even pre-emptive, strategy. At the same time, U.S. and Israeli analysts say, Israel is strengthening its defensive capabilities, working with the United States on a \$200 million research effort to build an anti-tactical ballistic missile, the Arrow. But it would be years before an entire defensive system could be deployed.

On Sept. 19, Israel launched an experimental spy satellite on its own missile, displaying its ability to put up the intelligence instruments needed to carry out a pre-emptive strategy.

"Israel is telegraphing a signal to the Arabs," Mr. Schiff said.

Jane's Defense Weekly reported recently that Israel also had conducted a second secret test of its Jericho 2, ground-to-ground missile, with a projected range of 940 miles. The U.S. State Department spokesman, Charles E. Redman, said in a statement on Nov. 23 that "we are aware of no Israeli plans to configure their Samcvt vehicle as a missile."

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## ISRAEL: Coalition Is Set

(Continued from page 1)

announced that the United States would begin talks with the PLO.

The U.S. decision isolated Israel from the only ally still endorsing its refusal to meet with the PLO.

The move appears to have persuaded Mr. Shamir that he would need the broadest possible government to face growing international pressure for Israel to agree to some kind of international conference on Middle East peace.

Negotiators from the two parties were working late Monday on policy guidelines on peace and security issues that were expected to mirror those of the previous national unity government.

The guidelines were expected to include support for the Camp David peace accords, a renewed call for direct negotiations among Israel, Jordan and Palestinians from the occupied territories, and an insistence that Israel would never negotiate with the PLO.

Critics on both the left and the right condemned the agreement.

"I'm very surprised at Shimon Peres and at Labor for going into a government which contradicts their basic principles," a former cabinet minister, Amnon Rubinstein, said.

"For example," Mr. Rubinstein said, "Peres said yesterday he is prepared to talk with any Palestinian who opposes terror. In the government he is joining, his prime minister says the absolute opposite. It's not a government, it's a race for seats."

Ariel Sharon, the hard-line former defense minister, quit the Likud negotiating team in disagreement with the tentative accord.

"I don't want to see how Shamir has to break the agreements and promises he made to the religious parties," he said.

Members of the religious parties were harshly critical of the accord.

"The Likud betrayed the promises given the religious parties, and it will be judged for that," Menachem Porush, spokesman for the ultra-Orthodox Agudat Israel, said. His party had been promised the Finance Committee chairmanship.

Yitzhak Peretz, leader of the ultra-Orthodox Shas Party, said: "This is not the first time that the prime minister has designated Shas and its leader, Rabbi Ovadia Yosef. But this time he's actually contradicted explicit promises made in Rabbi Yosef's house."

The tentative agreement stipulates that all funds to religious parties must be approved by the Finance Ministry, and it appears to make no commitment on changing the definition of who is a Jew, a central issue for Agudat Israel.

Mr. Peres had been torn between the finance and foreign affairs portfolios, but finally agreed on finance because of strong pressure from major business interests supportive of Labor.

In a sign of their mutual distrust, Mr. Peres and Mr. Shamir stipulated that if either pulls out of the coalition, the other will seek new elections rather than form a narrow government without the other. That clause, a Shamir aide said, was designed to prevent Mr. Peres from seeking to use the finance portfolio to rig the rigorously Orthodox parties with lavish public funding.

## U.S. Dec...

By Thomas L. Friedman

WASHINGTON — The U.S. decision to begin talks with the PLO has been widely seen as a major shift in American policy on the Middle East. The move appears to have persuaded Mr. Shamir that he would need the broadest possible government to face growing international pressure for Israel to agree to some kind of international conference on Middle East peace.

## Bush Nom...

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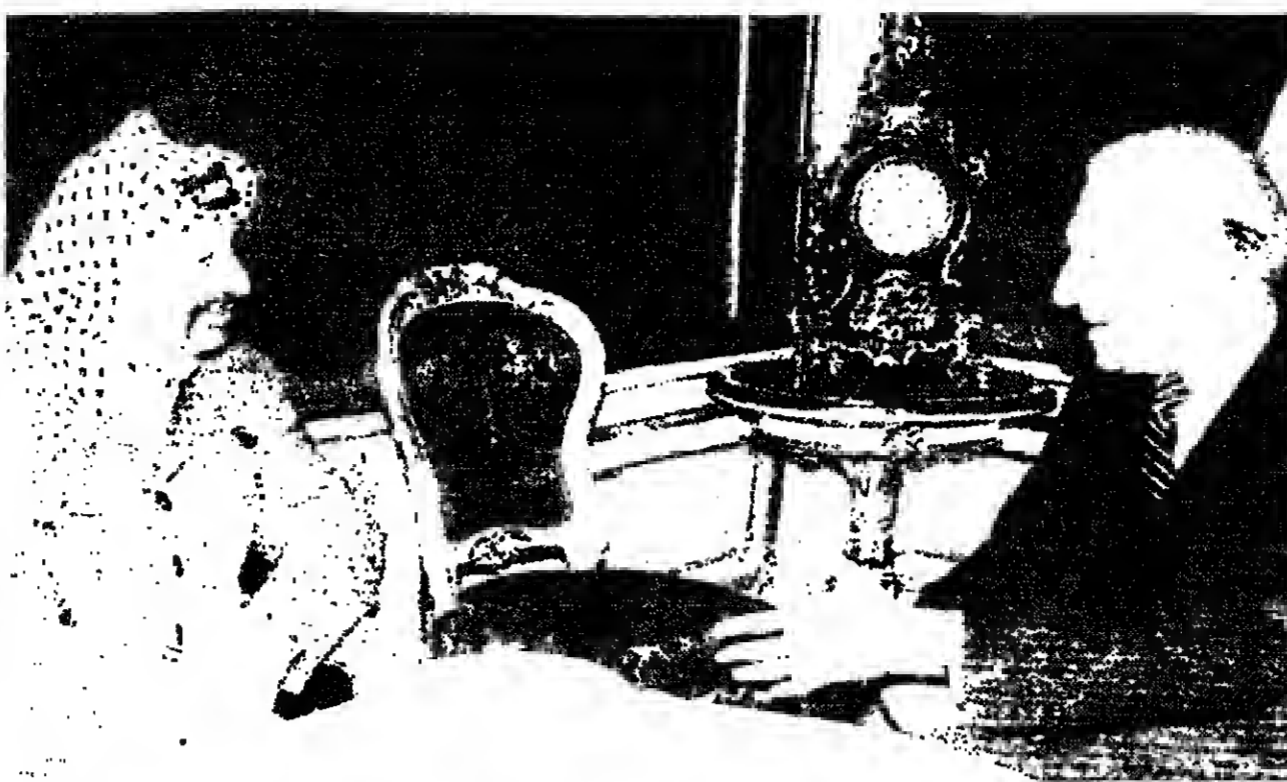
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ISRAELI Coalition

(Continued from page 6) announced that they would begin talks with the PLO...

Arafat Seeks UN Help For Talks With Israel

VIENNA — The chairman of the Palestinian Liberation Organization said Monday that he wanted UN help in getting Israel to join Middle East peace efforts...



Yasser Arafat, left, with President Kurt Waldheim of Austria on Monday during the PLO chairman's brief visit to Vienna.

U.S. Decision to Meet PLO Opens Risky Path Toward Peace

By Thomas L. Friedman, New York Times Staff Writer. WASHINGTON — The decision by the United States to open a dialogue with the Palestinian Liberation Organization has jolted the Middle East...

The most immediate effect of the U.S.-PLO dialogue has been to force both Israelis and Palestinians to confront some realities that they have been trying to ignore...

both parties know just what time it really is — time for Israel and the Palestinians to come to terms with each other openly and unambiguously...

to be established in the West Bank and the Gaza Strip. The first indication of whether Israelis are digesting the new reality...

make it unambiguously clear to the PLO that the diplomatic train that Mr. Arafat has just hopped aboard does not stop in Washington...

But the new opportunities offered by the dialogue could just as easily become dangers, if mishandled. The PLO could become so enamored with the idea of talking to the United States that it will not be able to resist the temptation of trying to drive a wedge between Washington and Jerusalem...

NEWS ANALYSIS

Bush Nominates Kemp as Secretary of Housing

WASHINGTON — President-elect George Bush named Representative Jack F. Kemp on Monday to head the Department of Housing and Urban Development in his new administration...

ability to restore hope to "distressed inner cities and those who live in poverty and despair."

Mr. Kemp skipped over their one-time campaign rivalry. Mr. Kemp had sought the presidential nomination with an appeal to bedrock conservative issues.

Mr. Kemp has called for programs allowing public housing tenants to own their own homes, and has long been a champion of so-called "urban enterprise zones" in which government-private programs would be developed to revitalize depressed cities.

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ARTS / LEISURE

The Little Black Suit Wears Well

International Herald Tribune PARIS — It is 22 years since Yves Saint Laurent re-drew the female silhouette along party lines.

SUZY MENKES

rent designed in 1966, you would be right on fashion target: neat black jacket, fresh white shirt, high-waisted pants with deep satin cummerbund.

Nothing, it seems, will wear the Parisienne from her Little Black Suit. It is seen around everywhere this season: as a broad-shouldered blazer with boogie black satin lapels above the briefest of skirts; a short, cropped matador's jacket with skinny skirt or pants; a feminized suit with a curvy jacket and kicky peplum frill, or a straight-as-a-die coatdress falling to the floor.

Fashion's advance guard carry a pocketbook by its handle and add a pair of stinky gloves. The troops sling a miniature Chanel bag over the shoulder or tuck a purse under one arm. Shoes are plain pumps in suede or grosgrain, with flatter court slippers for the younger crowd.

All honors for the revival of "Le

smoking" (if indeed, it ever went away) go to Yves Saint Laurent. He awarded himself fashion's Legion d'Honneur — he got the real thing from President François Mitterrand in 1985 — as a scarlet ribbon in the lapel of an ankle-length wool crêpe tuxedo dress in his latest couture collection.

That contained a parade of 22 "smokings," each coal black, but curved snugly to the body, the ta-

Yves Saint Laurent has reinvented his own classics, redefining the taut-shouldered tuxedo jacket as the suit of today with wide shoulders and a defined waist.

peis opening on the bosom like the petals of a flower and the waistline draped as nonchalantly as a bathrobe.

The deluxe tax is walking out worldwide from Saint Laurent's ready-to-wear Rive Gauche boutiques. The house reports a phenomenal success this season for the inimitable tuxedo suits, with 500 selling per Paris boutique (at \$8,800 francs, or about \$1,450, apiece) and with the same best sellers in New York, Rome, Madrid and Tokyo. The wittiest suit has a skirt with a satin lapel folded across the thigh,

under a short sharp jacket swinging over naked breasts. Spoilsport Parisians are wearing it more classically over a black silk blouse.

What has changed in 22 years? The dinner suit for women started its fashion life longer ago than that — way back in the 1930s and '40s, when cabaret stars — most spectacularly Marlene Dietrich and Judy Garland — put on top hat and tails with high-heeled shoes. The effect

was deliberately sophisticated cross-dressing, with a whiff of decadence.

That did not have much to do with the youthful tuxedos that Yves Saint Laurent launched in the 1960s as part of a female wardrobe based on male tailoring. His skill has been to re-invent his own classics, redefining the taut-shouldered tuxedo jacket with its skinny arms and flared trouser legs, as the suit of today with wide shoulders and a defined waist. Skirts are currently far more popular than pants.

This winter's softer styles in

crêpe and satin are Saint Laurent's reflex to changing attitudes, as women return to femininity at the end of the androgynous '80s.

The appeal of the dinner suit this year, as in so many other seasons, is that it is such an uncomplicated, practical and sensible way to dress for evenings — especially for working women and in a strikebound Paris where the most simple journey becomes a hazardous adventure. Stores report brisk sales of accessories to women who know that a change of earrings and a bold pin can give a festive touch to a suit that works as hard as they do.

The general acceptance of the tuxedo for mature d's and gala evenings, is due to the late Duke of Windsor, who as the dashing young Prince of Wales in the 1920s cast off (literally and metaphorically) the stuffed shirt fashion of white tie and tails. The simple dinner jacket and soft shirt was a new deal for men. Ironically, young men this season are buttoning themselves back into brocade vests, wing-collar shirts and double-breasted tuxedos.

The elegant and stylish Duke of Windsor would cut a dash in his specially designed tuxedo of mid-night blue broadcloth with black satin lapels. Among the massed ranks of black at any Paris party, even this subtle departure from convention would be a bold fashion statement.



Yves Saint Laurent's original 1966 tuxedo (left), his crêpe dinner dress tuxedo and his 1988 tuxedo with blazer and short skirt.

U.S. Films at Home Abroad

By Aljean Harmetz

New York Times Service

LOS ANGELES — Until a few years ago, American movie studios aimed most of their films at customers from Buffalo to San Diego, although there have always been some movies that worked well abroad.

The James Bond movies routinely grossed \$50 million to \$60 million in the United States and considerably more overseas. Violent action films crossed cultural barriers without a snag, but most other movies failed to score with foreign audiences, who understood a punch better than a punch line.

These days, with help from the falling dollar, an explosion in the television and video markets, and advertising campaigns tailored to individual countries, the Hollywood movie is earning more and more of its money abroad. One example is "Fatal Attraction." A blockbuster in the United States with ticket sales of

\$157 million, the movie has taken in an additional \$187 million in theaters abroad.

"Who Framed Roger Rabbit," whose sales are nearing \$150 million in the United States and Canada, has already sold \$56 million worth of tickets overseas.

Success in one market gives a movie enough visibility so that it has a head start toward success in the next. Paramount has also begun fine tuning its marketing campaigns.

"When Raiders of the Lost Ark" was released in Japan, we showed Indiana Jones with his whip, hat and leather jacket in place," said Sidney Ganis, the new co-president of Paramount's motion picture group. "In terms of our expectations, the picture was disappointing."

Before "Indiana Jones and the Temple of Doom," the sequel to "Raiders," was released, Paramount had learned that the hat made the hero seem too much like a cowboy to the Japanese. So In-

diana went hatless in the new Japanese advertisements and "Temple of Doom" was a success.

Sean Connery is a good actor to Americans, but a superstar to most of the rest of the world.

The American advertising campaign for "The Untouchables" featured the huge face of Robert De Niro as the gangster Al Capone towering over his Treasury agent nemesis played by Kevin Costner, while the other good guys, including Connery as a burly Chicago policeman, were in the background.

In the German advertisements, Connery was in the foreground with Costner. "In Europe, Connery became the way we sold the picture," Ganis said.

No matter what the advertising, most Hollywood comedies still do not travel well. Disney's "Good Morning, Vietnam," with Robin Williams, was a \$124 million blockbuster at U.S. theaters but a mediocre performer abroad.

'William Tell' at La Scala — All of It

By David Stevens

International Herald Tribune

MILAN — The choice of "William Tell" to open the season at La Scala may mean that Rossini's final stage work is about to lose its strange distinction of being probably the most famous unknown opera of all time.

Famous because of the popularity of one of the composer's greatest overtures, even without the Lone Ranger's help; unknown because so little performed, and then usually in truncated versions.

That Riccardo Muti got the biggest share of the applause, not only after the overture, but more than five hours later during the final curtain call, was a tribute to his passionate and nuanced conducting and the splendid playing of the Scala orchestra. It was also a tribute to the integrity of the opera, for Muti characteristically played it all, two ballets included, four hours of music, in the Rossini Foundation's new critical edition (by Elizabeth C. Bartlett). And it was sung in a revised Italian translation (by Paolo Cattelan), more respectful of the musical line and the spirit of the French original.

"William Tell" is a singular work on several counts. Although Rossini had revised several of his Italian operas for Paris, this was

his first original French opera. And although it was planned as the first of five operas in 10 years commissioned for the Paris Opéra, he never again wrote another, although he lived 40 more years. Whatever his reason, "William Tell" is the end of a line. It has a rich and varied score in the embrace of an old bel canto is balanced by a kind of classical austerity. It also stands at the threshold of the Romantic era, which he left to others.

Even in 1829 it was thought too long. In time its four acts were compressed into three — even the current edition of the Kobbé "Complete Opera Book" calls it an opera in four acts, but gives a three-act synopsis. Then it was reduced to Act 2 alone, played on mixed programs. An admirer is said to have gushed to the composer about having seen the second act the night before at the Opéra; "What!" replied Rossini. "All of it!"

Muti, conducting his third production of the opera — he did it twice in Florence in the 70s — assembled an excellent and well-balanced cast. The crucial casting problem is the terrifyingly high tenor role of Arnold, solved here as well as it is ever likely to be in the modern era by the American tenor Chris Merritt. At Saturday's performance he displayed a robust voice, stylishly handled, and

took his frequent flights into the stratosphere thrillingly and with apparent ease, aside from a couple of desperate sounding yelps in the Act 2 oath-swearing trio.

Giorgio Zancanaro sang the title role with his customary elegance and suavity, but without the vocal weight it often needs, and in his vaguely 1800-ish costume he was more the country squire than the robust Swiss patriot. Cheryl Studer sang Mathilde with a grandness befitting the lovely Hapsburg princess, and brilliantly cleared the role's vocal hurdles. Giorgio Surjan was an elegant Walter, and Luigi Roni roared mightily as the beastly tyrant Gessler.

The production by Luca Ronconi and his collaborators (Gianni Quaranta, sets, Vera Marzot, costumes) was by turns curiously effective and irritating, relying more on its technical gimmickry than on the singers to give an appearance stage action.

The most striking scenic element was the motion pictures — filmed by Federico Fellini's longtime collaborator Giuseppe Rotunno — projected on a backdrop of sliding screens. Sometimes they worked dramatically; the *seba opaca* of Mathilde's aria was reflected in the dense forest of the prelude and the tangle of tree trunks that thrust

up from beneath the stage, and the views of fires signaling insurrection from mountain to mountain were atmospheric. At other times they seemed like a Swiss travelogue or were decorative more or less like old-fashioned painted flats, or just irrelevant.

But the branches swayed and the water flowed — which a lot of the time was more action than Ronconi asked of the singers. They functioned within a constructed set in front of the screens that consisted mainly of a kind of wooden auditorium, like seats in a lecture hall or the pews in the church of some austere sect.

If the costumes had any other purpose than the modish one of setting the opera in the epoch of the composer's life, it was not clear. It often seemed as if a Brechtian alienation effect was in operation, but repeatedly overridden by Rossini's music. But the celebrated apple-shooting scene was pulled off with a nifty bit of stage trickery.

"William Tell" has further performances Dec. 20, 23, 27 and 30. Guglielmo Tell becomes Guillaume Tell when French-language version using the Ronconi production is scheduled at the Théâtre des Champs-Élysées in Paris in March and at the Nice Opéra in April.

Advertisement for Herald Tribune featuring a large graphic of a telephone receiver and the text 'Call Toll-Free and Save up to 50%'. It includes a table of subscription rates for various countries and currencies, and a coupon for requesting a free copy of the Education Directory.

Advertisement for the International Education Special Directory, published on December 10. It lists various educational institutions and provides a coupon for requesting a free copy of the directory.

Vertical advertisement on the right edge of the page, partially cut off, mentioning 'INTERNATIONAL', 'Jakarta Exch', and 'On Hard Fac'.

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INTERNATIONAL STOCK MARKETS

Jakarta Exchange Booms On Hard Facts, Star-Gazing

By JONATHAN THATCHER

JAKARTA — Jakarta's once lethargic stock market is climbing to new highs. Some brokers predict further sharp rises but others warn it may already be overheating.

The market index on Friday rose to a record 366.63 from 245 the previous day in the market's biggest jump since it opened in 1977.

"This boom is the first in the market's history," said Agus Salim Abbas, a broker with PT Aksara Kencana. "It's due to the growing interest from foreign investors."

Last week the market index recorded its biggest jump since it opened in 1977.

In October, Indonesia introduced a tax on time deposits, by far the largest local form of investment, putting these on a more equal footing with shares, which were already taxed.

Since then, business has soared and volume on the market is now more than 90,000 shares a day. A year ago 2,000 was average, and some days had no transactions at all.

Another major change came a year ago when a restriction on movement in share prices of 4 percent a day was removed. More company bonds are also being listed.

Muzki Usman, chairman of the Capital Market Executive Board, said that now "dividends can reach 19 percent a month, capital gains 20 percent a month, and that's higher than time deposit interest."

The stock market has only 24 listed shares, and foreigners may directly invest in just eight of them.

"I think foreigners are buying a lot of shares through proxies and brokers," a foreign share analyst said. "The stock market has been rising steadily over the past year but lately it's been on a whole different scale."

BROKERS SAID one general attraction had been a belief that Jakarta stocks were undervalued. "I am convinced the share index will continue to rise next year," said Mr. Abbas of PT Aksara Kencana. He predicted the index would hit 500 by the end of this month.

"We are hoping 50 companies will go public in 1989," he said. "By next year we will be comparable with stock markets in Singapore, Malaysia and Thailand."

Mr. Abbas said that early in the new year the exchange might introduce an afternoon session. There is currently only a two-hour morning session.

Sau Permana, director of the PT Aperi brokerage, injected a note of caution, saying prices had risen so fast that shares were now overvalued.

"If the number of traded shares does not increase," he said, "share trading will be in danger because current price levels no longer relate to the companies' performance."

One new avenue opening up for investors is an over-the-counter market, which is expected to start up next month with the first shares in a provincial taxi firm, PT Zebra Taxi.

Whatever the fundamentals, one broker saw guidance from the stars as yet another driving market force. "Many Asian investors believe that this dragon year will bring luck in their business and the stock market as well."

The Chinese year of the dragon ends in early February.

UAW Learns to Compromise With Japanese Automakers

By Doron P. Levin

DETROIT — Using a strategy of "compromise and organize," the United Auto Workers union is coming to terms with Japanese carmakers who are setting up shop in the United States.

In doing so, the union is stymieing a loss of members and bolstering its position as the intermediary between American autoworkers and the industry for the foreseeable future.

The Big Three U.S. automakers are benefiting from the union's cooperation with the Japanese as they negotiate an increasing number of union contracts based on Japanese labor practices, which give the companies' greater productivity.

The UAW has still not won recognition at any plants owned and operated solely by the Japanese. But it has scored victories in three U.S.-Japanese joint ventures, the latest last week at the Diamond-Star plant in Bloomington, Illinois, a venture of Chrysler Corp. and Mitsubishi Motors Corp.

The union has been helped by the fact that at the joint-venture plants, the Japanese management, in deference to their American partners, have not actively opposed the union.

More important, at those plants the union has moderated its bargaining posture on such key issues as work rules, supplementary pay and job classifications.

To a large extent, the growing cooperation of labor stems from a dawning awareness that overcapacity in the industry will almost certainly mean that only

the most productive plants will be able to stay open in the future.

The UAW wants to represent workers at the Japanese plants, as well as to keep its existing plants competitive.

The Japanese companies, accustomed to plant unions in Japan, seem satisfied working with the UAW.

"Japanese managers are very pragmatic," said Vladimir Puck, director of the East Asia business program at the University of Michigan. "Of course, they would prefer not to deal with unions here, but when they do, the relationship turns out to be very comfortable."

James Gill, a spokesman for Mazda Motor Corp., said: "The UAW has been helpful to Mazda at our Flat Rock plant. The union is a resource for dealing with

problems instead of dealing with 3,000 individuals."

In a practice that is unusual for American auto plants, union officials at the Ford-Mazda joint venture assembly plant in Flat Rock, Michigan, sit in on Mazda production planning meetings and may make suggestions to managers on topics such as the speed of the assembly line.

Besides the Diamond-Star and Flat Rock plants, the UAW has won the right to represent workers at the GM-Toyota joint venture assembly plant in Fremont, California.

But the union has not managed in gain a stronghold in any Japanese plants. After three years of hard campaigning, the UAW still has not felt confident enough to request a representation election at the

Nissan Motor Co. assembly plant in Smyrna, Tennessee.

The union withdrew its application to hold an election at the Honda Motor Corp. plant in Marysville, Ohio, when it looked as if union support was not great.

So far the union has not mounted a formal organizing effort at Toyota Motor Corp.'s new assembly complex in Georgetown, Kentucky, although a union spokesman said, "It is fair to say that having that plant organized eventually is important to the UAW."

The UAW represents about 6,500 workers at Japanese-managed automotive parts and assembly plants in the United States; it represents about

See UAW, Page 11

Elf to Buy Stake in U.K. Firm

Enterprise Boosts North Sea Activity

By Warren Getler

LONDON — Société Nationale Elf-Aquitaine, the French oil company, said Monday that it had agreed to acquire a 25.2 percent stake in Enterprise Oil PLC for 3.8 billion francs (\$632 million) from London & Scottish Marine Oil PLC.

The French exploration and development concern said it would not bid for all of Enterprise, a British North Sea oil company, for at least a year after acquiring the 25.2 percent stake. Elf has been active in making and attempting acquisitions in recent months.

Analysts said the price offered for the Enterprise holding, equivalent to a net 450 pence (\$8.23) per share, was below recent expectations of 500 to 600 pence. They said that indicated that the weak oil market had depressed petroleum companies' stock prices. When London & Scottish Marine Oil, known as Lasmo, put its Enterprise stake up for sale earlier this year, estimates of the price ranged up to 700 pence a share.

"It was considerably below expectations," said Nick Antill, an oil analyst with County NatWest Securities in London, referring to the price, "and this seems to suggest that the equity market has overvalued the valuations that the industry is now putting on oil and gas assets."

Enterprise stock plunged to 478 pence a share in trading on the London Stock Exchange on Monday, down from 546 on Friday. It

See ELF, Page 11



Georges Salomon, chief executive, left, with an employee at a ski binding research center.

Salomon Seeks Still Higher Peaks

Innovator in Ski Gear Again on Verge of Diversifying

By Julie Sell

ANNEXE, France — Like a strong skier who is neither timid nor reckless, Salomon SA has found success in the ski equipment business with the right mix of care and daring.

But unlike most skiers, Salomon has mastered a series of new, progressively bigger challenges without taking any falls.

Since it was founded by the Salomon family 41 years ago to make saw blades and ski edges, the company has successfully expanded into a series of winter sports markets. The emphasis on new products is reflected in the fact that the company spends, on average, 5 percent of annual revenue on research and development.

The investment has paid off. Today it has a 33 percent share in the 6.3 billion French franc (\$1.05 billion) world market for alpine and cross-country ski boots and bindings. It is No. 1 worldwide in sales of alpine bindings and No. 1 countrywide boots, and No. 2 in alpine ski boots.

Salomon's best-known innovation — a plastic,

rear-entry alpine boot — electrified the ski world when it was introduced in 1979.

The company that analysts laud for its clear strategic planning sees itself at a crossroads today.

"Salomon is at an exceptional moment of its history," said Michel Barhrod, the general manager. Three factors have led to this turning point, he noted: an expanded search for new, technological advanced products that could eventually lead to ventures outside sporting goods; organizational changes as the group grows and diversifies; and the preparation of a future management team.

The company is preparing to enter another sector of the winter sports market — its first ski will be introduced in 1990 — but worldwide growth in the ski-equipment industry is almost stagnant, and Salomon has concluded that its urge to diversify again will likely be fulfilled in a new industry.

"The story of their growth is the story of successful diversifications, one after another," said Jean-

See SALOMON, Page 13

Judge Clears Eastern Air Shuttle Sale

Peugeot and Fiat Expand Utility Vehicle Venture

By Barry James

PARIS — Peugeot SA of France and Fiat SpA of Italy announced Monday that they would reopen mothballed auto plants to augment production of light utility vehicles in a major expansion of an existing joint venture.

A communiqué issued by Peugeot said joint production of vehicles is likely to more than double from the present 500 a day, a rate that represents less than 100,000 a year.

The two companies produce a medium-sized panel van sold in France as the Peugeot J5 and the Citroën C25, and in Italy as the Fiat Ducato.

A new agreement on industrial cooperation was signed in Turin by Jacques Calvet, president of the board of Peugeot, and Cesare Romiti, group managing director for Fiat Cars.

Industry sources speculated the expansion is designed to produce a new model that would rival the Espace produced by Renault of France, a luxurious cross between a car and a

van, which has been a runaway success in an emerging European market for recreational vehicles.

"They face heavy competition because several manufacturers are trying to get into that market," said John Lawson, auto industry analyst at Nomura Research Institute in London.

Neither Peugeot nor Fiat would comment on the speculation.

Peugeot is to reopen a former Talbot production plant at Hordain near the frontier with Belgium. The plant was closed last year.

News of the 3 billion franc (\$498.8 million) investment, which eventually will create about 3,000 jobs, was welcomed in the depressed Nord-Pas-de-Calais area, where unemployment hovers around 20 percent. The announcement follows on the news that Pechnine SA will build an aluminum plant at Dunkerque, the region's principal port.

Peugeot said the French plant would produce finished vehicles for the two participating groups when it goes into production in 1993.

An old Alfa Romeo plant at Pomigliano d'Arco, a depressed area near Naples, also is to be reactivated.

Peugeot and Fiat have cooperated since 1978 through a jointly owned company known as Société Européenne de Véhicules Légers, Sevel, which produces utility vehicles in its plant at Val di Sangro in Italy.

Mr. Lawson said the joint venture has gradually increased volume and given both manufacturers a "very good position in the market" for light commercial vehicles.

"There has been an explosive market for recreational vehicles in the United States, which until now has not been the case in Europe, where the life-style is different."

But that is changing, and the European market is starting to look crowded, he said. Not only has Renault exceeded every production goal with the Espace, but Japanese carmakers Nissan Motor Co. and Mazda Motor Corp. are gearing up for a major sales offensive with similar vehicles.

With the Peugeot acquisition, Grand Met will have an additional source of earnings that will provide a balance should profits from its liquor business falter.

The takeover is the latest in a wave of mergers and recapitalizations in the food business. Among other deals, Philip Morris Cos. acquired General Foods Corp. and, recently, Kraft Inc.; R.J. Reynolds Industries, which recently voted to go private, acquired Nabisco Brands Inc.; Beatrice Cos. went private in a leveraged buyout, and Nestlé SA acquired Carnation Co.

As analysts see it in the five cases, the target company was a food manufacturer that was not making the most of its valuable shelf space. Likewise, the analysts said, Pillsbury has not marketed its brands as aggressively as it might and, in general, has turned in a weak financial performance.

Thus, the feeling among the analysts was that Grand Met would use its financial clout and marketing expertise to strengthen Pillsbury's efforts in supermarkets.

"They probably see in Pillsbury some underdeveloped brand names," said George Rosenbaum, a marketing consultant based in Chicago. "Once Grand Met has its

See PILLSBURY, Page 11

Currency Rates

Table with columns for Currency, Par \$, and Dec. 19. Includes rates for Amsterdam, Brussels, Frankfurt, London, Milan, New York, Paris, Tokyo, Zurich, etc.

Table with columns for Currency, Par \$, and Dec. 19. Includes rates for Argentina, Austria, Belg., Br. fr., Brazil, Canada, Chile, Denmark, Egypt, Hong Kong, India, Indonesia, Italy, Japan, Korea, Malaysia, Mexico, New Zealand, Norway, Pakistan, Peru, Philippines, Portugal, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, U.S. dollar, U.K., Venezuela, etc.

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Interest Rates

Table with columns for Eurocurrency Deposits, Rate, and Dec. 19. Includes rates for 1 month, 3 months, 6 months, 1 year, etc.

Table with columns for Key Money Rates, Rate, and Dec. 19. Includes rates for United States, Discount rate, Prime rate, Federal funds, etc.

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NYSE Most Actives table with columns for stock symbols, volume, high, low, and change.

Market Sells table listing various market sell orders.

NYSE Index table showing Composite, Industrials, Finance, and Utilities indices.

Mondays NYSE Closing logo with 'Via The Associated Press' text.

AMEX Diary table listing American Exchange market activity.

NASDAQ Index table showing NASDAQ Composite and Industry indices.

AMEX Most Actives table listing active stocks on the American Exchange.

Dow Jones Bond Averages table showing bond market performance.

NYSE Diary table listing daily market events.

Odd-Lot Trading in N.Y. table showing odd-lot trading statistics.

Dow Jones Averages table showing major market averages.

Standard & Poor's Index table showing S&P 500 and other indices.

NASDAQ Diary table listing NASDAQ market activity.

AMEX Stock Index table showing AMEX stock index performance.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

N.Y. Stock Prices End Higher

Main article text discussing the New York Stock Exchange's performance, mentioning the Dow Jones industrial average and market sentiment.

Large table of stock prices for various companies, including symbols, prices, and changes.

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BUSINESS ROUNDUP

U.K. to Investigate 2 NatWest Units

LONDON — Two subsidiaries of Britain's biggest commercial bank, National Westminster Bank PLC, are under investigation for their involvement in a 1987 corporate takeover, the government said Monday.

Icahn Raises Texaco Stake

WASHINGTON — Carl C. Icahn, the chairman of Trans World Airlines Inc., has raised his stake in Texaco Inc. to 16.2 percent from 15.83 percent.

KKR Seeking Bank Loans

TOKYO — Kohlberg Kravis Roberts & Co., the U.S. investment bank, has asked a group of leading Japanese commercial banks to extend loans totaling about \$5 billion to help finance its \$25 billion leveraged buyout of RJR Nabisco Inc., banking sources said.

UAW: Union Works With Japanese

(Continued from first finance page) 480,000 workers at General Motors Corp., Ford Motor Co. and Chrysler.

Drexel Rejects Offer to Settle, Source Says

NEW YORK — The board of Drexel Burnham Lambert Inc. has turned down a government offer to settle criminal charges against the investment firm and expects to be indicted, a source close to the investigation said Monday.

PILLSBURY: Grand Met Wins

(Continued from first finance page) ed a Delaware Chancery Court judge in Wilmington to rule against Pillsbury.

Thyssen Posted Major Gains In Its Net Profit Last Year

DUSSELDORF — Thyssen AG said Monday that group net profit for the year ended Sept. 30 more than doubled, to 680 million Deutsche marks (\$387 million) from 302 million DM a year earlier.

ELF: Takes Stake in U.K. Company

(Continued from first finance page) had been as low as 435 pence after the deal was announced.

BNP Mortgages Special terms for expatriates resident in UK \*100% mortgages available \*Fast, personalised service

Royal Services for Royal Clients. Image of a butterfly. The Business and Private Bank. Royal Trust Bank (Switzerland)

ADVERTISMENT INTERNATIONAL FUNDS December 19, 1988. Table listing various international funds with columns for fund name, currency, and other details.

Floating-Rate Notes

Table of floating-rate notes with columns for Issuer/Mat., Coupon, and Bid/Ask prices. Includes sections for Dollars, Deutsche Marks, Japanese Yen, and Pounds Sterling.

Monday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table of NYSE closing prices for various stocks, including Dow Jones Industrial Average and other market indices.

Large table of international stock market data, including prices for various foreign equities and currencies.

FIDELITY FRONTIER FUND advertisement. Includes notice of annual general meeting, details of the fund's investment strategy, and contact information for the fund manager.

Investment Bank Lends Funds to Aerospaciale advertisement. Details a loan of 800 million French francs to Aerospaciale for the Airbus A-330 and A-340 jetliners.

BANQUE NATIONALE DE PARIS advertisement. Promotes floating rate notes of US \$225 million, June 1981-1996, with a 9% annual interest rate.

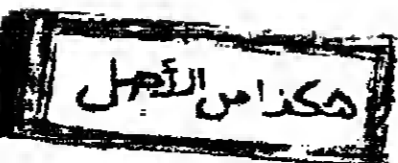
NEW! SPANISH COMPANY HANDBOOK 1988 advertisement. Describes the handbook as the only guide to the Spanish corporate world published in English, containing financial data and company profiles.

Herald Tribune advertisement for the Spanish Company Handbook 1988. Includes contact information for the book division and a list of participating companies.

EC Will Proceed Jan. 1 With Ban on Imports Of Meat With Hormones. BRUSSELS — The European Community said Monday it would go ahead Jan. 1 with a controversial ban on imports of meat treated with hormones, although the move could provoke a trade war with the United States.

The Daily Source for International Investors advertisement. Promotes a service for international investors, featuring a large image of a globe and contact information.

Vertical sidebar containing various market guides and financial data, including sections for LONDON COMMODITIES and LONDON METALS.



ISRAELI

Coalition

(Continued from page 12) announced that the coalition would begin talks with the PLO...

U.S. Futures

Via The Associated Press

Table with columns: Season, Low, High, Open, High, Low, Close, Chg. Includes data for Wheat, Corn, Soybeans, etc.

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SALOMON: Innovator in Ski Equipment Is Seeking a Broader Range

(Continued from first finance page) Jacques Limage, an industry analyst in Paris. "I have no doubt they will do it again."

Salomon's first foray into a non-ski-related business — golf equipment — has already proven successful: Taylor Made Golf Co., a golf club maker that it acquired in 1985 from the company's founder, Gary Adams, has been transformed from a money-losing operation into the U.S. market leader for woods that now holds 10 percent of the world market.

Consolidated net sales of golf equipment in the year ending March 31 increased 89 percent over the previous year, to 301 million francs.

The company now aims to develop a full range of golf products. Salomon has already made major expenditures to develop new golf products, and company officials believe the time and money is well invested: The golf ball market alone is worth 3.7 million francs a year, which is slightly larger than the world markets for tennis rackets and alpine ski boots.

According to company projections, the golf market will continue to grow, particularly with the construction of new courses in Asia and Europe.

In the latest fiscal year, golf accounted for 14.2 percent of Salomon's 2.54 billion francs in consolidated net sales; the figure is projected to rise to 21.3 percent this year.

The alpine ski sector, on the other hand, contributed 67.5 percent; cross-country ski equipment, 9.9 percent, and so-called clubline products — hats, bags and ski accessories — 8.4 percent.

Salomon's involvement reflects the fact that, in some ways, the company that was started in an Ancey workshop in 1947 with his parents, Francois and Jeanne Salomon, remains a family operation.

It was Georges Salomon's development of automatic machinery to mass-produce ski edges that gave Salomon its first success and allowed the company to turn to making cable ski bindings in 1952, the first in its string of diversifications.

The Salomon family remains the company's largest single shareholder, with about a 40 percent stake, and Mr. Salomon's son, Bernard, has been designated as his eventual successor. In preparation for assuming that role, the younger Salomon was recently tapped to manage the company's winter sports subsidiary in the United States. He was previously marketing manager of the binding division.

The family feeling appears to have rubbed off on Salomon employees. Photographs of the late Francois and Jeanne Salomon hang in various company offices, where a small-town friendliness pervades the work atmosphere. Employees' attire is casual and sporty, and managers encourage the staff to say what they are thinking.

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what they do," observed Mr. Limage, the analyst. "There is pride in what they do, both at the top level and at the factory level."

But the realities of running a major multinational corporation have led to inevitable changes at Salomon. A team of executives leads the company that was once solely family-run, and specialists play an increasing role in its complex finances.

Asked about the impact of foreign-exchange fluctuations on a corporation that made 89 percent of its sales outside France last year, Mr. Barthelemy, the general manager, leaned back in his cardigan sweater.

"When we went into the ski market, many people at Salomon thought it would be difficult to do something really new," said Mr. Barthelemy. But he said the ski to be unveiled at a major winter sports show in early 1990 would offer a higher-quality finish and better consistency than competitors' skis at a lower cost.

When it enters the ski market, Salomon will face more competition than it has encountered in other sectors: There are currently about 85 ski manufacturers in the world. Nevertheless, Salomon's long-term ambition is to achieve annual sales of 1 billion francs and to draw close to its French rival, Ski Rossignol, which has a 25 percent market share.

Competitive feelings between Salomon and Rossignol were heightened a couple of years ago when Salomon hired away "several of the best" Rossignol engineers to work on its new ski, Mr. Coste said.

"It's an insurance cost," he said. "We don't take any risks in speculation." Fluctuations in foreign-exchange rates alone cost a potential 8 percent increase in net sales last year to 5 percent, according to company documents.

Salomon's success has been largely determined by the overlap between sport and technology. As a result, the search for new products has focused on sports that, like skiing and golf, involve equipment with a degree of sophistication.

Tennis probably will be the sport Salomon tackles next, Mr. Barthelemy said, indicating that the decision to

percees over his reading glasses and gave a little sigh. Mrs. Berrette chimed in to explain that Salomon has "a strategy of hedging." A full-time foreign-exchange specialist follows the market for the company, changing his positions daily, if necessary.

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CURRENCY MARKETS

Higher Interest Rates Aid Dollar

Compiled by Our Staff From Dispatches

NEW YORK — The dollar ended higher against most major currencies Monday, supported by higher interest rates after the Federal Reserve Board tightened credit last week.

Corporate demand and speculative buying pushed the dollar up in the morning, but trading became very quiet in the afternoon. Many banks had already closed their interbank dealing operations for the holidays.

The U.S. currency rose to 1.7655 Deutsche marks from 1.7585 DM, and to 124.25 yen from 124.15. It also climbed to 1.4905 Swiss francs from 1.4818 francs, and to 6.0325 French francs from 6.0235 francs.

But the British pound rose to \$1.8210 from 1.8185 on Friday. The pound was bolstered by firm interest rates.

"It was the slowest day of the year," said Robert Ryan, a foreign exchange manager for Irving Trust Co. "And this was Monday. The rest of the week will be dead. The bank-to-bank market has completely dried up."

Mr. Ryan said the dollar's marginal firming in a thin, restless market was the result of positioning as the year drew to a close, rather than any fundamental shift in the currency's outlook.

London Dollar Rates

Table with columns: Currency, Mar., Fri. Includes Deutsche mark, French franc, Japanese yen, Swiss franc, French franc, French franc.

The U.S. currency fell to 1.7615 DM from 1.7650 DM Friday, and to 124.05 yen from 124.35 yen.

The pound was unchanged at \$1.8135.

Bearing in mind the "bear trap" that was set by central banks last year, when sharp declines in the dollar were countered unexpectedly by vigorous intervention in very sparse post-holiday markets, most operators showed a desire to approach this year's holiday with square positions.

The dollar also eased in 1.4860 Swiss francs from 1.4885 francs, but rose to 6.0225 French francs from 6.0200 francs. (UPI, Reuters)

Platinum Price Lower

The price of platinum rebounded and then tumbled on Monday as traders worried about last week's news that Ford Motor Co. had developed a platinum-free anti-pollution device for vehicles. Reuters reported from Zurich.

The main fall followed the start of New York trading and brought the metal down to a closing \$520 an ounce in Zurich compared with an opening of \$533 and last Friday's close of \$531.

In New York, the metal for January delivery was off \$28.50 in early afternoon, at \$526 an ounce.

Governor Says Fed Not Pushed By Europeans

WASHINGTON — Wayne Angell, a governor of the U.S. Federal Reserve System, said Monday that the central bank had not been pressured to push interest rates higher by such moves in other countries.

"That hasn't put us under any pressure at all," Mr. Angell said in a television interview. He had been asked about interest rate increases last week in West Germany and other European countries.

Financial markets have speculated the Fed will soon raise its discount rate, charged on loans to banking institutions, from the 6.5 percent level in effect since August.

Mr. Angell also said, "The 4.5 percent rate of inflation we've been experiencing has been unsatisfactory. I think that we are less likely to have a recession if we act to bring this incipient upward price movement in a halt."

He refused to say if the Fed's policy-making Open Market Committee acted to restrict credit at a meeting last week.

U.S. Thrifts Fail to Tap Full Japanese Interest

TOKYO — Troubled U.S. savings and loan associations could be losing an opportunity to unload the hundreds of millions of dollars of nonperforming real estate investments that have been crippling their balance sheets, according to analysts.

Japanese investors are showing increasing interest in the thrifts' extensive commercial real estate holdings for the first time since Congress allowed the associations to branch into commercial real estate in 1982.

But the same lack of sophistication that got the thrifts into trouble could keep them from attracting more than a trickle of Japanese investment, analysts say, because deals are not being structured in a way that is attractive to most Japanese.

There is no question the demand is out there," said Jack Barthel, partner at Kenneth Leventhal & Co., a Los Angeles accounting firm that works with Japanese real estate investors. "But the entire thrifts industry has been very slow to pick up on it."

"We are aware of some interest from Japanese investors, but it is now limited to experienced investors," said Peter Ryder, vice president at Salomon Brothers Asia Ltd.

Several investment bankers in Tokyo said that they had a number of deals in the works and that they had recently completed some agreements, but they declined to give details.

There are 3,000 thrifts in the United States, and nearly 1,000 are losing money, according to

A lack of sophistication could keep the thrifts from attracting more than a trickle of Japanese investment.

analysts. Estimates of thrifts' losses for the first 11 months of 1988 range up to \$7 billion.

Some of the thrifts' holdings are potentially lucrative, said Mike Medzigan, manager of Deloitte Haskins & Sells' real estate consulting group in San Francisco.

Thrifts became heavily involved in making syndicated loans to build hotels in the early 1980s. When a tax advantage for unprofitable hotels was wiped out by the Tax Reform Act of 1986, many loans went bad, leaving thrifts with assets that few knew how to manage.

Japanese investors buying thrifts' property have so far been limited to real estate firms with considerable experience in the United States. They represent only a small fraction of the Japanese money that could find its way to the thrifts.

Major buying from Japan will not start until the thrifts attract institutional investors that buy properties for their portfolios, many real estate experts say. These investors demand predictable and safe cash flows.

Thrifts have so far done little to forge deals including either feature.

Real estate analysts say thrifts could spark Japanese interest by assembling properties in deals such as pooled mortgages that would contain 10 to 50 investments. Such arrangements would mitigate the impact of an unexpected nonperforming asset and could help to ensure regular cash flows.

Thrifts have not put together such deals partly because they still do not understand the dangers of commercial real estate, analysts say.

"Many well-designed and well-located properties are having problems because of the local economies and because their owners were lacking in experience," Mr. Ryder said.

In addition, many thrifts do not understand the needs of Japanese investors, said Michael Wilson, vice president and director of research at the U.S. League of Savings Institutions, an association of thrifts.

"A lot of thrifts have over dealt with institutional investors in the U.S. and they have had little contact with Japan in any form," he said.

Mr. Wilson said the Federal Home Loan Bank Board was aware of potential Japanese interest and might consider a real estate investment trust in which the government would guarantee income flows. "But these things take time," he said.

Thrifts could easily make properties more attractive by offering better terms, Mr. Medzigan said.

Prime Rate Expected to Go Up, With or Without Fed Move

By Kenneth N. Gilpin

NEW YORK — A further increase in U.S. banks' prime lending rate, currently at 10.5 percent, is likely before the end of the year, credit market analysts say, even if the Federal Reserve Board continues to put off a long-anticipated increase in its discount rate.

The Fed and the commercial banks are likely to be the major points of interest over the next two weeks, which for market participants are historically the slowest of the year.

The Fed last week sent a direct signal to the financial markets that it had tightened credit conditions by nudging up the federal funds rate, charged on overnight loans, by a quarter-point. Market participants are well aware that an increase in the discount rate, the rate the central bank charges on loans to financial institutions, is coming.

But under current conditions, many believe that the Fed's move may be later rather than sooner and that banks may have to raise the prime rate first.

"Commercial banks would certainly like the Fed to move first," said David A. Wyss, the chief financial economist at Data Resources Inc., an economic forecasting firm based in Lexington, Massachusetts. "But if rates on certificates of deposit stay where they are now, I would expect at least a quarter of a point rise in the prime during the week after Christmas."

"Banks like to get rate increases in before the first of the month because many of their loans are repriced at that time."

At the end of last week, rates on three-month certificates of deposit stood at 9.35 percent, six-tenths of a point above the low end of the new 8 1/2-to-9 1/2 percent trading range for the federal funds rate,

which banks use as a measure of their cost of funds. Generally, the difference between certificates of deposit and the funds rate is a full percentage point or more.

The Fed could decide to increase the discount rate, currently at 6.5 percent, at any moment. But Mr. Wyss and other analysts said that as long as the dollar remained fairly stable and no additional signs of sharply higher economic growth or much higher inflation appeared, the central bank was under no compulsion to raise the rate.

In that regard, the analysts said that data on consumer prices, to be released Tuesday, were likely to be the largest potential problem for the Fed and the credit markets.

But most of the analysts do not expect the report to show that prices surged abruptly last month. A third factor that could force the Fed to raise the rate, a sharp

increase in borrowings by member banks at the discount window, almost certainly will not occur, even though the difference between the discount rate and the federal funds rate is so wide that many institutions might avail themselves of much cheaper money.

"Except for one week at the end of November when borrowings were quite large, average borrowings outstanding have been running pretty consistently at \$400 million to \$500 million a day," Mr. Wyss said.

"Considering how wide the spread between the funds rate and the discount rate is, that is a very low level of borrowings."

Harold C. Nathan, the senior financial economist at Wells Fargo Bank, agreed that the discount rate "is the cheapest thing going, especially at this time of the year, when there are seasonal pressures on short-term rates."

DEBT: Bush Will Undertake Review of U.S. Policy

(Continued from page 1)

20. His comments Monday, which followed a World Bank report Sunday that was critical of industrialized countries' debt strategy, marked the clearest admission to date by the United States that the Baker Plan has been overtaken by events and that a new phase in the strategy is needed.

The Japanese and French governments have already called for such a reassessment and both have promised to put forward new suggestions aimed at reducing the debt burden, although neither has yet spelled out details. In addition, President Mikhail S. Gorbachev of the Soviet Union, speaking at the United Nations earlier this month, made a number of proposals aimed at easing the debt burden of developing countries.

Most proposals, put forward by debtor countries as well as Western officials and many commercial bankers, call for debt reduction rather than forgiveness. The latter means wiping out the debt, creating losses for the creditors, and therefore little likelihood of continued

new lending, at least from private sources.

By contrast, reduction of the annual cost to service the debt could provide considerable relief, and, by improving the economic outlook of the debtors, possibly open the way for banks to resume loans.

One solution, actively being sought by the new president of Mexico, Carlos Salinas de Gortari, is to have creditor governments provide guarantees for debtor countries that could be used to cut the cost of existing debt. Mexico's aim is to reduce its annual \$9 billion interest payments — it currently is not making any principal repayments — by at least one-third.

The guarantee it is seeking could be extended collectively, via the World Bank or the International Monetary Fund. The guarantee on the repayment of principal as well as on interest, would be used to back the sale of new debt to banks in exchange for the existing debt.

Because of the guarantee, the new debt would be worth more to lenders than the old debt and banks would be expected to exchange the

existing debt at a discount and to accept a lower rate of interest.

Simply by way of illustration, banks could be asked to exchange \$1 debt of existing debt for 50 cents worth of new debt.

Banks might find that 50 percent reduction is a worthwhile price to pay to receive a debt on which there is no doubt about interest and principal payments.

Mexico has already used a variation of this formula. Early this year, it purchased \$3.7 billion of existing debt with an average life of 16 years in exchange for \$2.6 billion of new 20-year debt. But the swap, which extinguished \$1.1 billion of old debt, failed to attract the volume of business Mexico had hoped for because only the principal of the new debt was effectively guaranteed.

Mexico had used part of its reserves to purchase at a deep discount from face value zero-coupon U.S. Treasury bonds. At the redemption date of the new Mexican debt, the U.S. bonds, held in escrow by the U.S. government and then worth their face value, are to be used to repay the lenders.

Report Muddles Outlook on U.K. Growth

LONDON — Data published Monday that measured third-quarter economic growth in Britain included such serious distortions that economists said it was impossible to tell from the statistics how fast the country's economy is growing.

The Central Statistical Office said that wide discrepancies in the three measures it normally uses to calculate average third-quarter gross domestic product prompted it to compile average GDP growth using only one measure — production.

The CSO said third-quarter GDP rose a provisional 1.2 percent over the second quarter.

But because third-quarter data were calculated differently, comparisons are invalid, economists said.

Monday's OTC Prices. NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year. Via The Associated Press.

Large table of stock market data including columns for High, Low, 12 Month, Div. Yld, PE, High, Low, 4 P.M. CHG, and various stock symbols.

Smith Barney Cuts Jobs. Compiled by Our Staff From Dispatches. LONDON — Smith Barney Harris Upham & Co., the Wall Street investment bank, said Monday that it would close its fixed income sales and trading operations in London and do away with about 50 jobs.

BOOKS

STALIN AND THE KIROV AFFAIR

By Robert Conquest. 164 pages. \$16.95. Oxford University Press, 200 Madison Avenue, New York, N.Y. 10016.

Reviewed by Adam B. Ulam

ON Dec. 1, 1934, Sergei Kirov, a member of the Politburo and one of the highest officials of the Soviet regime, was murdered by one Leonid Vasilievich Nikolayev in the headquarters of the Leningrad Communist Party. As Robert Conquest notes, no other assassination in modern history, save the one that had triggered World War I, has been followed by such dire consequences. Over the next four years a plethora of people in Soviet Russia, including Lenin's erstwhile closest associates, such as Trotsky and Bukharin, were accused of having been privy to the plot that had led to Kirov's death, found guilty with or without trial and executed — Trotsky being assassinated abroad. The Kirov affair marked the opening of the great wave of terror that swept the Soviet Union during the next five years, claiming millions of victims.

The official (that is, until 1956) version of the assassination held it to be part of a conspiracy by Stalin's enemies to seize power. But in his speech at the 20th Party Congress in 1956 Khrushchev hinted at a different plot: it was not Stalin's enemies, but his own secret police, that might have been behind the murder. In 1961 the Politburo appointed a commission to investigate the affair.

Then in 1964 Khrushchev's colleagues engineered his downfall, the first secretary's garrulous about Stalin's misdeeds being one of the reasons for their action. And so the commission was never allowed to report its findings.

With the onset of glasnost, Stalin-bashing, so to speak, has become permissible in Gorbachev's U.S.S.R. Charges of the dictator ordering his secret police to

dispatch his "comrade in arms" recently have been aired by some Soviet historians and were repeated in a play for the Moscow stage.

Still, there is no official verdict. We now have a new commission charged with investigating the crimes of the Stalin era. Will it be more forthcoming than the one appointed by Khrushchev in 1961?

Trotsky, Zinoviev, Bukharin and numerous others set by Stalin's courts to their doom were innocent of abetting the murder, and the despot knew it. Yet the question remains: Did he authorize the killing, and if so, why? Even among disheartened Communists, few today could be so naive as to hold Stalin incapable of sanctioning the murder if it suited his purposes. But therein lies the crux of the problem: Would it have been in Stalin's interest to establish the precedent of a successful assassination attempt on a high Soviet potentate? If he had been envious of Kirov's popularity, couldn't he by 1934 have destroyed him politically, as he previously had such popular leaders as Trotsky and Bukharin?

These are but some of the questions with which Conquest deals in his intriguing recapitulation of the assassination, its background and ramifications. His book presents a succinct but comprehensive picture of the murky train of events that culminated in the shots in the Smolny Institute in Leningrad on the afternoon of Dec. 1, 1934. Equally impressive is his assiduity in assembling all the available facts about not only the main, but also many secondary actors in the drama. Some might still dispute Conquest's main conclusion which, as the title clearly suggests, makes Stalin directly responsible for arranging Kirov's murder. But even critics must acknowledge the author's great erudition about Stalin's Russia, and his skill in telling the sinister tale.

Adam B. Ulam is the director of the Russian Research Center at Harvard. He wrote this for The Washington Post.

CHESS

By Robert Byrne

MIKHAIL Chigorin's Defense to the Ruy Lopez has again acquired a small following, but a look at the game between Grandmasters Nick de Firmian of Oakland, California, and Joel Benjamin of Brooklyn, New York, from the fifth round of the 1988 United States Championship, which ended on Oct. 17, should be enough to discourage further experiment with this strategy.

The Grigorin key move, 9...Nc7, clears a square so that 10...d4 can be answered by 10...Bf6, which gives the e5 pawn heavy support and also prevents White's normal developing move, 11 Nbd2. However, after 11...Bd7 12 Na3, the attack on the b5 pawn is unpleasant because 12...b4 13 Nc4 b6 14 b6 15 d5 Nc7 16 Na5 Bc8 17 Bc3 yields White solid superiority, as in an Unzicker-Blau game in Freiburg, 1951.

The effect of 12...Qb8 was temporary; after 13 Bc5, White really did threaten 14 Ng4 ab 15 Nb5. And 13...Be7 14 Ng4 h6 allows 15 Nf7? Rf7 16 ab 17 Qb5 Qe8 18 Nb5, with a rook and two pawns plus the initiative for two minor pieces.

Benjamin chose to give up his strong point in the center with 13...e4, but this conceded to de Fir-

mian a strong mobile center after 14 Bf6 Nf6 15 e4. Benjamin could not get counterplay by 13...Bc5 19 Ra3 Qb2 because 20 Rh3 Qc2 21 Rb3 Bc5 22 e5 yields White a crushing attack. Thus 22...Nd5 23 Bb7 Kf7 24 Ng4 Kc6 25 Rg3 f5 26 cd 27 Nc6 Kf6 28 Qb5 Qd2 21 Rg6 Kc7 22 Rg7 Kf6 23 Qc6mate.

Benjamin tried 18...Re8, but the force of de Firmian's 19 e5 was not diminished. After 19...Bf3 20 Qf3, it was impossible to capture with 20...Qb2? because 21 Qd3 Qb2 22 Qb5 ab 23 Ra8 Ra8 24 e5 wins a piece.

Benjamin chose 20...de 21 de Qb2, but de Firmian was well prepared with 22 Re3 Qc8 Ra8 30 Re6 would have been quite lost for Black, but 26...Qd5 was no better. After 31 Ra6, Benjamin gave up.

The move 26...c6 27 Re6 Qd8 28 Ba8 Qa8 29 Ra8 Ra8 30 Re6 would have been quite lost for Black, but 26...Qd5 was no better. After 31 Ra6, Benjamin gave up.

On 23...Nc7 24 Ba4, it was useless to attempt 24...Ne7 because of 25 Qa8! Qa4 26 Ra4 Ra8 27 Re5. On 24...Qa5 de Firmian struck the lethal blow, 25 e6!, when 25...Ne6 26 of N7 27 Re8 Re8 28 Q7f1 Kf7 29 Be8 Ke8 30 Ra4 would end resistance. Thus, Benjamin tried 25...f6,



Position after 24...Qa5

Current Stock Index: 5418.84

Previous: 5404.64

Change: +14.20

High: 5425.00

Low: 5390.00

Open: 5410.00

Close: 5418.84

Volume: 1,234,567

Time: 12:00 PM

Date: 12/20/88

Location: New York

Market: NYSE

Index: S&P 500

Value: 5418.84

Change: +14.20

High: 5425.00

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World Stock Markets

Via Agence France Presse Closing prices in local currencies, Dec. 19

Table of World Stock Markets with columns for Amsterdam, London, Frankfurt, Zurich, and other markets. Includes closing prices and changes.

Table of World Stock Markets with columns for Tokyo, Seoul, Taipei, and other Asian markets. Includes closing prices and changes.

Table of World Stock Markets with columns for Sydney, Melbourne, and other Australian markets. Includes closing prices and changes.

Table of World Stock Markets with columns for various international markets including Hong Kong, Singapore, and others. Includes closing prices and changes.

Table of World Stock Markets with columns for various international markets including London, New York, and others. Includes closing prices and changes.

Crossword puzzle grid with clues for 1-41. Clues include 'Butterfield', 'Stuff', 'Like some horses', etc.

Weather forecast section for Europe, Asia, North America, and Oceania. Includes high/low temperatures and conditions.

Jumble word game section. Includes a grid of letters and a list of words to be found.

Advertisement for JPSPIG VCRs. Features a large image of the VCR and text describing its features and quality.

Cartoon strip titled 'PEANUTS' featuring characters like Snoopy and Woodstock. Includes dialogue and a signature.

Cartoon strip titled 'BLONDIE' featuring Blondie and Dag. Includes dialogue and a signature.

Cartoon strip titled 'WIZARD OF ID' featuring a wizard and a man. Includes dialogue and a signature.

Cartoon strip titled 'ANDY CAPP' featuring a man in a suit. Includes dialogue and a signature.

Cartoon strip titled 'BEETLE BAILEY' featuring Beetle Bailey and his dog. Includes dialogue and a signature.

Cartoon strip titled 'DOONESBURY' featuring a man in a suit. Includes dialogue and a signature.

Cartoon strip titled 'GARFIELD' featuring Garfield the cat. Includes dialogue and a signature.

Cartoon strip titled 'REX MORGAN' featuring a man in a suit. Includes dialogue and a signature.

Vertical advertisement on the right edge of the page, partially cut off, mentioning 'Confirms Ok' and 'Cup Winners'.

SPORTS

Seattle Outguns Raiders, 43-37, to Win AFC West



OUTNUMBERED — Phil Simms, the Giants quarterback, looked dejected after New York Jets Scott Messersmith, left, Marty Lyons and Kevin McArthur, right, performed the "sack dance" Sunday.

Rams Defeat San Francisco But 49ers Win the NFC West

LOS ANGELES — The Seattle Seahawks won their first-ever National Football League division title Sunday, beating the Los Angeles Raiders 43-37 as Dave Krieg passed for 410 yards and four touchdowns and Norm Johnson kicked five field goals.

NFL ROUNDUP

final minute, Los Angeles got the ball at its own 33-yard line with 1:08 remaining and no timeouts. Jay Schroeder threw a 22-yard pass to Myrony Fernandez, punting the ball at the Seattle 45-yard line, but then Schroeder threw four straight incompletions. The last one was into a crowd in the end zone and was batted away.

SIDELINES

NCAA Confirms Oklahoma Sanctions

NORMAN, Oklahoma (AP) — Oklahoma's football program was placed on three years' probation Monday for numerous recruiting violations, a penalty that might have been less if some people involved in the violations were not still at the school, the National Collegiate Athletic Association said.

Davis Cup Winners Welcomed Home

FRANKFURT (Combined Dispatches) — The West German tennis team brought home the Davis Cup from Sweden to a triumphant welcome on Monday. Their chartered plane landed in Bonn, so that the team could head straight to a reception with the West German president, Richard von Weizsäcker, in his official residence.

Mitsubishi Ads by Griffith-Joyner

TOKYO (AP) — Florence Griffith-Joyner, the American track and field athlete who won three gold medals and one silver in the Seoul Olympics, will appear in television and newspaper advertisements for Mitsubishi Electric Co. of Japan, the company announced Monday.

For the Record

The coach of the San Diego Chargers, Al Saunders, who provoked the ire of top management of the NFL team with critical comments about the players he was given to work with, was fired Monday, the team announced. No replacement was named.

Quotable

Houston Oilers wide receiver Ernest Givens after the Oilers lost 28-23 at Cleveland, only to face a wild-card game Saturday back on the frozen shore of Lake Erie: "I don't want to come back to this rat hole."

SCOREBOARD

BASKETBALL

National Basketball Association Standings

Table showing Eastern Conference and Western Conference basketball standings with columns for team, W, L, Pct., and GB.

AP College Bowl

Table showing AP College Bowl results with columns for team, W, L, Pct., and GB.

HOCKEY

NHL Standings

Table showing NHL Standings with columns for team, W, L, T, Pts, and GF.

FOOTBALL

NFL Standings

Table showing NFL Standings with columns for conference, team, W, L, T, Pct., and PF.

NATIONAL CONFERENCE

Table showing National Conference football standings with columns for team, W, L, T, Pct., and PF.

SOCCER

Table showing English First Division and Italian First Division soccer results.

The Evolution of Basketball's Titan

By Tony Kornheiser

WASHINGTON — Nobody ever played basketball so well for so long as Kareem Abdul-Jabbar. As a young man he was so feared that before he ever played a college game, the NCAA changed its rules to eliminate the dunk shot, and still his team won the national championship every year he played.

In the NBA, though he was neither the offensive force Wilt Chamberlain was, nor the defensive force Bill Russell was, Kareem was an elegant distillation of the two. He played with effortless grace. Unique among 7-footers, Kareem was able to dominate without appearing aggressive. Take, for example, his trademark shot: While its slickness belied its deadly sting, there has never been a more dependable offensive weapon than his Sky Hook.

He has aged gradually and resourcefully, but the photographs do not lie. He's an ancient, 41 years old; Danny Manning was three years old when Kareem was voted Rookie of the Year. So much about him has changed in the last 20 years, starting with his name, which was still Lew Alcindor when he left UCLA for the Milwaukee Bucks. His "Afro" hairstyle, so familiar in the 1970s, is gone, truly gone; we've watched Kareem grow bald. Now he shaves his head, and instead of the matinee-coiffed sideburns he wore in Milwaukee or the full beard he had for a decade with the Los Angeles Lakers, he has a thin, oddity delicate mustache.

To protect a scratched eye, he donned goggles. His game is different. The Sky Hook's still unstoppable, but the pace of the game rarely slows enough to permit him to take it comfortably; he's shooting an average 40.5 percent and averaging 2.5 points per game — 17 below his career norm. He hasn't been a prodigious rebounder since 1981, and in recent years it



Abdul-Jabbar's patented "sky hook."

appeared evident that the Lakers were catering to Kareem out of respect for what he was, not because they require what he is. The Lakers have been Magic Johnson's team for quite some time.

Kareem's personality has changed, too. For so much of his career the brief eye contact he granted the public was remote and disdainful. He seems gentler, more approachable. He's been genuinely moved by the outpouring of affection for him as he steps in city after city collecting tributes in this, his final season in the National Basketball Association.

"I'm really pleased that people are taking the time and showing this effort," he said at a recent news conference in Washington. "It's really gratifying. I've had to be the villain everywhere I've played because of the success of the Lakers. This is nice."

But Kareem knew he wasn't the villain merely because of the Lakers' success, and after an obligatory gory of the press, Kareem conceded that he shared the responsibility for the frosty way he was received over the years: "I think it had to do with the fact that people didn't understand what I was about, and I wasn't all that eager to open myself to the public."

All these changes have made a difference in the way we view Kareem. These, plus the terrible massacre of the Hanafi Muslims in the house Kareem owned in Washington years ago, plus the devastating fire in Kareem's Bel Air home, plus the stripping of his financial assets by his former agent's business mismanagement — these all contribute to a process of loss that has shown us that Kareem is a vulnerable man.

Indeed, vulnerability is the only way a great center can be liked — let alone loved. They all start off being hated because everyone considers them invincible. It was

Chamberlain who first said, "Nobody loves Goliath." Look at the great centers of our time. Chamberlain, a loquacious, entertaining man, was reviled. Beating him became a mission for players and fans.

Chamberlain's diffident rival, Russell, was hailed, but mostly for blunting the indomitable Wilt. The Stilt, when Russell led the dynasty Celtics into NBA arenas where Chamberlain wasn't a factor, he was uniformly booed. Bill Walton, a counter-sympathetic figure. In college, Patrick Ewing was booed in every road game Georgetown played.

Kareem would have been booed everywhere anyway because of his awesome stature and because there was no natural rival to humanize him — like Muhammad Ali — an easier target in the politically charged early 1970s. ("I was just taking advantage of my constitutional right to freedom of religion, nothing more than that. I'm certainly patriotic," Kareem explained the other day, obviously still disturbed by the interpretation of something he did almost 20 years ago.) Racism may well play a part in this, but "sizeism" is crucial. Not even the most rabid Boston fans boo Magic Johnson. Everybody loved Julius Erving. Everybody loves Michael Jordan.

Only recently, after changes upoo changes, has the public embraced Kareem, and even then at some arm's length, without the unbridled affection they held out to Dr. J. Guards and forwards, you see, are just like us, only taller. But centers, they're threatening; they don't excite us as much as they intimidate us, so we don't give them our hearts. The only way they can gain our favor is by eating Kryptonite.

Having established himself as the most enduring and durable athlete in his sport's history, having come to grips with his age and size and having finally, if with great

DATE

Is to Reopen

Paris transport authority, which has been closed since since 11:30 p.m. Monday, is to be reopened on Monday.

Hits Bottom

Market

Mr. Rard introduced it at the Paris Baretto modeled it. Paris Baretto modeled it. Paris Baretto modeled it.

TRANSITION

FOOTBALL — Fred Joe Callier, defensive coordinator; Stan Jones, defensive line coach; Alvin Moore, linebacker coach; Charlie West, secondary coach and Rubin Carter, assistant line coach.

HOCKEY

MINNESOTA — Traded Scott Briveland, forward, and Gord Dineen, defenseman, to Pittsburgh for Steve Gostea, forward, and Ville Skjv, defenseman.

COLLEGE

ARKANSAS — Suspended Ron Heffner, forward, from basketball team. Heffner, forward, from basketball team.

A Pocket Hercules Pulls His Weight For Turkey and the Sport of Lifting

By Peter Alfano

New York Times Service

NEW YORK — There was a reception in his honor at a Manhattan pub last week, red and white balloons hanging from the ceiling, guests and dignitaries eager to clap his hand.

It was in a similar setting, two years ago that the weight lifter Naim Suleymanoglu made the biggest decision of his life at a party following the world championships in Melbourne.

He was 18 then, born and raised in Bulgaria but part of an oppressed Turkish minority. For a year and a half, Naim Suleymanoglu (pronounced nah-EEM soo-lee-mahn-OH-oo) had plotted to defect, afraid to tell even his parents or friends.

On the pretense of going to the man's room, he casually walked out of a restaurant, stepped into the car of an acquaintance and was whisked away. After four days in hiding, he went to the Turkish consulate and was granted asylum.

Now, he is a national hero in Turkey, an Olympian who won his country's first gold medal in 20 years in Seoul. Competing in the featherweight division, he broke three world records, including a lift of 419 pounds (190 kilograms) in the clean-and-jerk, more than three times his weight.

At 4 feet 11 inches (1.50 meters) and 130 pounds (59 kilograms), Suleymanoglu is known as the Pocket Hercules, the biggest little man in the world.

He has been on a victory tour in recent weeks, visiting West Germany, France and the United States as a good-will ambassador for his country and his sport. Dressed in a suit and tie that cannot disguise his weight lifter's physique, with his sandy-brown hair neatly trimmed, Suleymanoglu is making the rounds knowing that his cloak-and-dagger days are over.

There is no longer any reason to hide. In Washington, he met Nancy Reagan and attended the premiere of the movie "Twins," where he posed with the co-stars, Arnold Schwarzenegger and Danny DeVito, able to look DeVito squarely in the eye.

He met Mayor Edward I. Koch at City Hall in New York. At the United Nations, he spoke to correspondents about human-rights in Bulgaria.



Walter Cronkite, the former CBS News anchor, joined weight lifter Naim Suleymanoglu of Turkey at a New York reception.

ART BUCHWALD

Christmas Engineering

WASHINGTON — Of all the Christmas phrases my wife has uttered over the years, the one that she is in love with is, "Why don't you read the instructions?"



Buchwald

This makes no sense. Instructions are for idiots who don't have the magic touch. They are written by nerds to explain to dummies how to operate a piece of machinery which will probably never work anyway.

China Excavating More Of Terra-Cotta Army

BEIJING — Archaeologists have begun excavating the second of three underground vaults containing the terra-cotta army masterpieces by China's first emperor to protect his soul in the afterworld.

simple design that a child could put together. "But you're not a child," she protested. "That piano has more parts than all the toys in Taiwan."

"I have no idea where you're headed with this." "Like most married women your trouble is that you would rather trust a piece of paper written by a Tibetan student than your own husband."

"All I'm going by is years of experience. The attic is filled with unfinished children's masterpieces that you tried to assemble without success."

Von Sydow in 'Pelle': Not Another Neurotic

By Steve Lohr

LONDON — Max von Sydow knew he wanted to be in "Pelle the Conqueror" by the time he had read just 25 pages of the screenplay.

was young, in better times, he fills Pelle with his romantic memories. According to Lasse's recollections, their new home-to-be is an Edenic island, compared to rural Sweden.

The movie has an epic quality, showing the hardship and injustice of the semi-feudal society of the time. "That is why they were treated so badly," von Sydow said.



Von Sydow: "I felt this was something I was looking for."

Performers Give Time, Money for Armenians

The Russian-born cellist Maslov Rostropovich played in a charity concert in London for the Armenian earthquake victims last month, postponing a visit to India to be part in the event, which was a very important such gesture.

People magazine's list of most unforgettable personal 1988 includes President George Bush, the late Christian

President-elect George Bush and the Democratic vice presidential pick, Lloyd Bentsen, were the best dressed men of 1988, the Fashion Foundation of America said in its 47th annual list.

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